

Doing Business in Namibia: 2013 Country

Commercial Guide for U.S. Companies

INTERNATIONAL COPYRIGHT, U.S. & FOREIGN COMMERCIAL SERVICE AND U.S. DEPARTMENT OF STATE, 2010. ALL RIGHTS RESERVED OUTSIDE OF THE UNITED STATES.

- Chapter 1: Doing Business In Namibia
- Chapter 2: Political and Economic Environment
- Chapter 3: Selling U.S. Products and Services
- Chapter 4: Leading Sectors for U.S. Export and Investment
- Chapter 5: Trade Regulations, Customs and Standards
- Chapter 6: Investment Climate
- Chapter 7: Trade and Project Financing
- Chapter 8: Business Travel
- Chapter 9: Contacts, Market Research and Trade Events
- Chapter 10: Guide to Our Services

Chapter 1: Doing Business In Namibia

- Market Overview
- Market Challenges
- Market Opportunities
- Market Entry Strategy

Market Overview Return to top

- Namibia has a population of 2.1 million, but with the ever-expanding port of Walvis Bay, the country is positioning itself as a gateway to the more than 240 million person Southern Africa market.
- Namibia enjoys one of the most stable, peaceful political environments in Africa.
- Primary infrastructure (roads, rail, air, energy and telecommunications) is relatively well developed and modern.
- The economy is mostly export driven. Mining, tourism, fishing and agriculture are Namibia's key industries.
- The vast majority of Namibia's 2012 imports, 70 percent of the total, came from South Africa, followed by the UK, China, and Germany. The United States ranked number 13 as export destination. South Africa and the United Kingdom are Namibia's number one (16 percent) and two (12 percent) export destinations respectively, followed by Belgium, Botswana, Spain, Canada and the Netherlands.
- U.S. foreign direct investment in Namibia is minimal.
- The Namibian dollar (N\$) is pegged one to one (1:1) to the South African Rand.
- The World Bank ranked Namibia number 87 among 185 countries in its 2013 Doing Business Report; and fifth among Southern African Development Community member countries behind Mauritius, South Africa, Botswana and the Seychelles.

Market Challenges

Return to top

- Namibia is a small market and is heavily dependent on international trade.
- Namibia is among the countries with the worst income disparity in the world (a Ginicoefficient of 0.6).
- Employers must consider and plan for the impact of HIV/AIDS on their workforce. In 2012, the adult prevalence rate was an estimated 13.4 percent.

- According to the the 2012 Labor Force Survey, the unemployment rate is 27 percent.
 Despite high unemployment, there is a critical shortage of skilled labor.
- Although there is no local participation requirement for foreign investments except in the natural resource sectors (primarily mining and fishing), the government actively encourages partnerships with historically disadvantaged Namibians.
- Due to ongoing government land reform efforts, foreigners are generally prohibited from purchasing agricultural land.
- Employers often cite productivity as one of their major challenges.
- The process for obtaining work permits for foreign employees is bureaucratically burdensome and time consuming.
- In the World Bank's *Doing Business 2013* report, which ranked 185 countries, Namibia's lowest scores were in the following four areas:

Trading Across Borders: 140
Registering Property: 169
Starting a Business: 133
Paying Taxes: 112

- Transparency International ranked Namibia 58 out of 176 countries in its 2012 corruption perceptions index, which measures the perceptions of businesses and country analysts about the degree of corruption in a country. A score of 100 reflects a "highly clean" and 0 reflects a "highly corrupt" nation. Namibia scored 48.
- Namibia's proposed 2013/2014 budget includes provisions to reduce (non-mining) corporate tax on earnings from 34 percent to 33 percent in 2013, and to 32 percent in 2014, to bring it closer to tax rates charged by other countries in the region. Special provisions in some sectors may reduce this tax rate. For mining, the corporate tax rate remains 37 percent for all but the diamond industry, with a corporate tax rate of 55 percent.

As in much of southern Africa, the demand for electricity outstrips domestic supply. To date, Namibia has escaped any large-scale power outages or load shedding and is putting in place measures to address projected shortages.

Market Opportunities

Return to top

 Namibia imports almost all of its consumer goods and most of its exports are unprocessed commodities and raw materials. Opportunities exist to introduce new consumer goods and manufacturing investment for both local and international markets.

- Namibia is an eligible country under the African Growth and Opportunities Act (AGOA). AGOA allows for duty-free access to U.S. markets for more than 6,400 products. For information on AGOA, please consult: www.agoa.gov.
- Tourism is one of the country's fastest growing industries and provides significant
 employment opportunities. Namibia is a nature-based tourism destination with
 spectacular scenery, including a wide variety of wildlife, the world's oldest desert, the
 world's highest sand dunes, and community-based nature conservancies. The
 government is interested in attracting more U.S. tourists. It lobbied successfully to
 host the 2013 Adventure Travel and Tourism Summit, focused on the North
 American market.
- Namibia has historically imported more than half of its electricity from South Africa
 and other neighboring countries. As demand continues to outstrip supply in the
 region, Namibia plans to invest in new power generation and transmission
 capabilities. The national electricity regulator, the Electricity Control Board (ECB),
 has developed an independent power producer framework (IPP), and is keen to
 attract foreign investors that can develop power generation capabilities to service
 domestic and/or regional demand.
- Namibia has a wealth of natural resources including diamonds, zinc, copper, gold
 and uranium, which are the primary sources of foreign exchange earnings.
 According to the World Nuclear Association, Namibia is the world's fourth largest
 producer of uranium oxide. Given the amount of mining operations taking place in
 Namibia, there should be continued opportunities for companies to provide
 equipment and services to mining operators.
- Namibia's principal port, Walvis Bay, is well positioned to service the entire southern Africa region and especially well located to service the rapidly growing Angolan market. Zambia, Zimbabwe, and Angola. The African Development Bank approved a loan to Namibia for a major expansion of the container terminal. Other expansion projects at Walvis Bay are being planned.
- Main commercial agriculture activities include fishing and fish processing, livestock farming and table grape production. There is potential for extensive horticulture products such as olive oil and dates. The Namibian government actively encourages processing of agricultural products in country to generate jobs and add value to their exports.
- Mariculture, primarily oyster farming, has the potential to grow rapidly. Namibian oysters, known for their superior quality in terms of taste and size, grow to market size in nine to 15 months compared to about three years in other areas.
- Namibia has potential to develop renewable energy sources, such as solar and wind power. The government has stated it is committed to promoting renewable energy to complement conventional electricity supplies; but potential suppliers remain concerned about pricing policies. In 2013, the bidding process for three 10 megawatts solar power plants began.

 Construction is a growing secondary sector that supports many of Namibia's core industries.

Market Entry Strategy

Return to top

Please see the investment climate statement in Chapter 6 for detailed information on the Namibian Investment Center (NIC), which advises investors on procedures for entering the Namibian market and establishing a business. NIC's services include assisting investing companies with registering and facilitating applications for work permits.

In order to do business in Namibia, it is helpful (though not required) to have a local presence or a local partner. It is worthwhile to establish business relationships before tender opportunities are announced. U.S. firms should seek local partners with an existing reputation in their line of business or a complementary business. The World Bank's *Doing Business 2013* report notes that it takes 10 steps and an average of 66 days to start a business. Some accounting and law firms provide business registration services.

Return to table of contents

Return to table of contents

Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

http://www.state.gov/r/pa/ei/bgn/5472.htm

Return to table of contents

Chapter 3: Selling U.S. Products and Services

- Using an Agent or Distributor
- Establishing an Office
- Franchising
- Direct Marketing
- Joint Ventures/Licensing
- Selling to the Government
- Distribution and Sales Channels
- Selling Factors/Techniques
- Electronic Commerce
- Trade Promotion and Advertising
- Pricing
- Sales Service/Customer Support
- Protecting Your Intellectual Property
- Due Diligence
- Local Professional Services
- Web Resources

Using an Agent or Distributor

Return to top

The Namibia Investment Center (NIC), together with the Namibia Chamber of Commerce and Industry (NCCI) and its affiliated chambers, offers services to foreign investors in need of agents, distributors and joint-venture partners.

Contact details for NCCI:

Mailing address:

Namibian Chamber of Commerce and Industry PO Box 9355 Windhoek, Namibia

Office address:

2 Jenner Street Windhoek

Phone: +264 61 228 809 Fax: +264 61 228 009 Email: info@ncci.org.na Website: www.ncci.org.na

Contact details for NIC:

Mailing address:

Ministry of Trade and Industry Namibia Investment Centre Private Bag 13340 Windhoek, Namibia

Office address:

Block B Brendan Simbwaye Square Goethe Street Windhoek, Namibia Tel. +264-61-283 7335 Fax. +264-61-220 278

Establishing an Office

Return to top

Business in Namibia may be conducted in the form of a public or private company, branch of a foreign company, closed corporation, partnership, joint venture or sole trader. Companies are currently regulated under the 2004 Companies Act. This law covers both domestic companies and those incorporated outside Namibia but trading through local branches. For information on the impact of the new Companies Act, see: *Namibia Deloitte Report*.

For more information on incorporation procedures and registration requirements, contact:

Mr. Tileinge S. Andima Deputy Director – Registries Ministry of Trade and Industry

Tel: +264-61- 283 7262 Fax: +264-61- 222 576 Email: andima@mti.gov.na

In addition, businesses must also register with the following:

- Relevant local authorities
- Workmen's Compensation Commission
- Social Security Commission

Franchising Return to top

Franchising is a relatively untapped concept in Namibia, but it is fast becoming popular. There are numerous South African supermarkets and fast food franchises, such as Nando's, Pick and Pay, Shoprite, Wimpy, and Steers and a few U.S. franchises, such as KFC, Curves, Hertz, Avis, and Budget Rent A Car. Like in many other countries, there is currently no franchise-specific legislation in Namibia, there is potential for U.S. companies, both retail and service-oriented (i.e. restaurants), to expand through franchising.

Direct Marketing

Return to top

Advertising support is readily available (i.e. print, radio, television and Internet services) in Namibia and is of good quality.

Namibian newspapers include the following:

- The Namibian daily (http://www.namibian.com.na/)
- New Era daily (http://www.newera.com.na/)
- Die Republikein –daily Afrikaans language newspaper (http://www.republikein.com.na)
- The Sun daily (http://www.sun.com.na/)
- The Namibian Economist weekly (http://www.economist.com.na/)
- The Windhoek Observer weekly (http://www.observer.com.na/)
- Confidente weekly (http://www.confidente.com.na/)
- The Villager weekly (http://www.thevillager.com.na/)
- Allgemeine Zeitung weekly German language newspaper (http://www.az.com.na/)

Advertisers interested in wide local language coverage and television advertising may wish to contact the Radio Service at the Namibian Broadcasting Corporation http://www.nbc.na/

A few reputable companies offer various marketing and advertising services. These include:

Ogilvy Namibia
Tel. +264-61-247 371
Email: production@ogilvy.com.na
http://www.ogilvy.com.na/contactInfo/index.html

Vision Africa Research Services
Tel. +264-61- 244 660
http://www.vision-africa.com/contact.php

Advantage Y & R
Tel. +264-61- 289 1600
E-mail: advantage@mac.com.na
http://www.advantageyr.com/index.htm

Corporate Gifts and Promotions CC Tel. +264-61- 259 916

INTV Productions (PTY) Ltd Tel. +264-61- 225 665 E-mail: intv@mac.com.na

One Africa Television

Telephone: +264 (61) 2891500 Facsimile: +264 (61) 259450 http://www.oneafrica.tv/ Adforce DDB

Telephone: +264 (61) 237300 Facsimile: +264 (61) 245027 http://www.adforceddb.com

Joint Ventures/Licensing

Return to top

When entering into joint ventures, it is advisable to consult an expert on legal documents. All businesses are required to obtain appropriate trading licenses from the local municipality. In addition, businesses are required to register with the Ministry of Finance for tax purposes.

For more information about joint ventures, contact:

Mr. Tileinge S. Andima Deputy Director – Registries Ministry of Trade and Industry

Tel: +264-61- 283 7262 Fax: +264-61- 222 576 Email: andima@mti.gov.na

Ms. Bernadette Artivor
Executive Director
Namibia Investment Center (NIC)
Ministry of Trade and Industry

Tel. +264-61-283 7335 E-mail: artivor@mti.gov.na

Mr. Tarah Shaanika Chief Executive Officer Namibia Chamber of Commerce and Industry (NCCI)

Tel. +264-61-228 809 E-mail: info@ncci.org.na

Selling to the Government

Return to top

The Tender Board Act of 1996 outlines present public tender procedures in Namibia. Each call for a tender must be published in the Namibia Government Gazette, the government's official register, and in at least one local newspaper. The Namibia Tender Bulletin is a useful weekly publication that publishes tender advertisements. The Namibian government introduced new legislation regulating government acquisitions and tenders in September 2013. Some government tenders can be found online at:

http://www.tendersinfo.com/global-namibia-tenders.php or at:

http://www.globaltenders.com/government-tenders-namibia.php

Requirements to submit a bid:

A valid original Good Standing Certificate from Social Security.

- A valid Good Standing Certificate from Inland Revenue for tax purposes.
- Registration of company from Ministry of Trade and Industry.
- Any other required documents or certificates as as stated in the individual tender document.

For additional information on tender policies in Namibia, please click on this link: http://global.tendernews.com/procurement_nambia.asp

Key areas of opportunities for tenders include:

- Energy sector
- Mining sector
- Environment and Resources Management
- Infrastructure Development
- Education
- Health

Distribution and Sales Channels

Return to top

South African firms tend to dominate the retail and wholesale space for commercial and industrial products. There are a small number of Namibian owned firms.

Namibia has a well-established road infrastructure. According to the Namibia Roads Authority, the national road network consists of more than 45,000 km, 14 percent of which is surfaced. The roadways link Namibia with its neighboring countries of South Africa, Botswana, Angola, Zambia and Zimbabwe. The TransKalahari and TransCaprivi highways provide fast and convenient road links between Namibia's Walvis Bay port on the Atlantic Coast and landlocked neighboring countries. For more information on the road network visit the Walvis Bay Corridor Group: http://www.wbcg.com.na/

Namibia's rail network runs from the South African border via Windhoek to the port of Walvis Bay and to the northern town of Ondangwa. The northern railway line from Ondangwa to Oshakati and Oshikango has been extended to the border with Angola, but has not yet been linked with rail from the Angolan side. Passenger and freight services are often criticized as slow and often delayed. Namibia's rail network is old and will require considerable investments and upgrades. For more information on the rail network visit TransNamib: http://www.transnamib.com.na/.

Namibia has direct air links to Cape Town and Johannesburg in South Africa as well as Luanda, Angola; Accra, Ghana; Lusaka, Zambia; Harare, Zimbabwe; and Maun, Botswana. There are also regular international flights between Namibia and Frankfurt. Hosea Kutako International Airport is situated 48km from Windhoek's city center. Small aircraft can land at Eros Airport on the outskirts of Windhoek. Walvis Bay Airport also has international flights. Charter planes are readily available. There are several private landing strips throughout the country. The Namibia Airports Company (NAC) is responsible for overseeing airport operations. For more information on NAC, please visit their website at: www.airports.com.na.

Namibia's national airline, Air Namibia, has domestic and regional service as well as service to Frankfurt. For more information on Air Namibia: http://www.airnamibia.com.na/

The Namibian Ports Authority (Namport) operates the ports of Walvis Bay and Luderitz as commercial entities and ensures customer-oriented port services. Over the last few years, an increasing number of American shippers have shifted from other regional ports to Walvis Bay as a port of choice, citing supplies and workmanship as a factor. Some of the major international lines calling at Walvis Bay include Unicorn Lines, Maersk Line, Conti Lines, and Secil Sul Lines. For more information on Namibia's ports visit: http://www.namport.com/.

Selling Factors/Techniques

Return to top

Although English is Namibia's official language, it is not the first language of most Namibians. Oshiwambo is the main language spoken at home by nearly half the population. There are at least a dozen other local languages spoken. Afrikaans is often the medium of communication when a group of people do not share the same ethnicity (and first language). German is spoken by a small minority.

To reach the majority of Namibians, marketing materials, product labeling and packaging is frequently carried in English, Afrikaans and Oshiwambo. To reach rural communities some firms invest in translating materials into local languages.

Electronic Commerce

Return to top

Electronic commerce is still relatively unknown to Namibian consumers. Though the number is growing, only a small percentage (less than 10 percent) of Namibians enjoy access to the Internet. The government is in the early stages of formulating policies to regulate electronic commerce. Internet banking and mobile (cell phone) banking are also available.

Trade Promotion and Advertising

Return to top

Please see Chapter 9 for a list of local trade fairs. Below are links to the major local newspapers:

- The Namibian (www.namibian.com.na)
- The Namibian Economist (www.economist.com.na)
- Die Republikein (Afrikaans language newspaper) (www.republikein.com.na)
- The Windhoek Observer (www.observer.com.na)
- Allgemeine Zeitung (German language newspaper) (http://www.az.com.na)
- New Era (www.newera.com.na)
- Confidente (www.confidente.com.na)
- The Villager(www.thevillager.com.na)

To access the Namibia Trade Directory, please visit www.namibiatradedirectory.com.

For television and radio services, please visit the national broadcaster at (www.nbc.na).

Pricing Return to top

Because the majority of products are imported from South Africa, most industry prices are derived from South African prices. The Namibia Dollar (N\$) is pegged 1:1 to the South African Rand. Goods and services are priced in Namibia dollars.

A registered company or person is required to pay Value Added Tax (VAT) on the supply of most goods and services. VAT is also payable on the purchase and import of most goods and some services. Most goods are taxable at the standard rate of 15 percent although some supplies and imports are subject to the higher rate of 30 percent. Local prices of goods and services normally include VAT.

Sales Service/Customer Support

Return to top

Most major companies and shops provide satisfactory customer support and offer after sales service. Firms wishing to penetrate the Namibian market will need to consider how to provide after sales service (either directly or via a partner company).

Protecting Your Intellectual Property

Return to top

Namibia is a party to the WIPO Convention, the Berne Convention for the Protection of Literary and Artistic Works, and the Paris Convention for the Protection of Industrial Property. Namibia is also a party to the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks and the Patent Cooperation Treaty. Namibia is a signatory to the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty.

Registration of patents and trademarks is on a first-in-time, first-in-right basis. The responsibility for IPR protection is divided among three government ministries. The Ministry of Trade and Industry oversees industrial property and is responsible for the registration of companies, private corporations, patents, trademarks, and designs. The Ministry of Information and Communication Technology manages copyright protection, while the Ministry of Environment and Tourism protects indigenous plant varieties and any associated traditional knowledge of these plants. In 2010 the Ministry of Trade and Industry tabled the updated Industrial Property Bill, which proposes to establish an Industrial Property Office to handle the administration of patents, marks and designs. However, parliament has not yet passed the bill.

The Ministry of Information and Communication Technology has drafted amendments to the Copyright and Neighboring Rights Protection Act of 1994 to bring it in line with the TRIPS Agreement and the WIPO treaties; and to address advances in technology since the Act was passed. The amendments have been under consideration for several years but have not been passed. Two copyright organizations, the Namibian Society of Composers and Authors of Music (NASCAM) and the Namibian Reproduction Rights Organization (NAMRRO), are the driving forces behind the government's anti-piracy campaigns. NASCAM administers intellectual property rights for authors, composers and publishers of music. NAMRRO protects all other intellectual property rights including literary, artistic, broadcasting, satellite, traditional knowledge and folklore.

IP Resources

A wealth of information on protecting IP is freely available to rights holders. Some resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the U.S. and other countries -- call the STOP! Hotline at 1-866-999-HALT or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at 1-800-786-9199.
- For more information about registering for copyright protection in the U.S., contact the U.S. Copyright Office at 1-202-707-5959.
- For more information about how to evaluate, protect, and enforce intellectual
 property rights and how these rights may be important for businesses, a free
 online training program is available at www.stopfakes.gov.
- For U.S. small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html.
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit www.StopFakes.gov. This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

Due Diligence Return to top

Please consult legal counsel for advice on necessary due diligence. The U.S. Embassy in Windhoek maintains a list of local attorneys. The list is provided solely as a resource, but not as an endorsement of any of the firms listed. For a copy of the list, please email the Consular Section at: consularwinho@state.gov or the Economic and Commercial Section at: econ comm. Windhoek@state.gov.

The Law Society of Namibia is a membership organization for lawyers. A list of its members can be found here: http://www.lawsocietynamibia.org/

The following Namibia Trade Directory link contains contact information for local authorities, parastatal bodies, advertising and news media, business and professional organizations, chamber of commerce, diplomatic missions and non-governmental organizations:

http://www.namibiatradedirectory.com/vital_contacts.php

Web Resources	Return to top
	www.mti.gov.na
 Ministry of Trade and Industry 	
 Namibia Chamber of Commerce & Industry 	www.ncci.org.na
 Namibia Trade Directory 	www.namibiatradedirectory.com
 The Namibian Newspaper 	www.namibian.com.na
 The Republikein Newspaper 	www.republikein.com.na
 The New Era Newspaper 	www.newera.com.na
 The Economist Newspaper 	www.economist.com.na
Allgemeine Zeitung	www.az.com.na
 Walvis Bay Corridor Group 	www.wbcg.com.na
 TransNamib 	www.transnamib.com.na
 Namibia Airports Company 	www.airports.com.na
Air Namibia	www.airnamibia.com.na
 Namport 	www.namport.com.na
 Law Society of Namibia 	www.lawsocietynamibia.org
 Who's who Namibia 	www.whonamibia.com

Return to table of contents

Return to table of contents

Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- ELP Electrical Power Systems / Renewable Energy
- MIN Mining Industry Equipment
- PRT Port/Shipbuilding Equipment
- CFE Commercial Fishing Equipment
- TRA Travel/Tourism Services
- Agriculture

ELP Electrical Power Systems / Renewable Energy

Overview Return to top

Namibia's economic growth in recent years has resulted in electricity demand rising faster than anticipated. NamPower, the government-owned power utility, operates generation facilities that were constructed in the 1970s. NamPower has three generation plants (Ruacana Hydro plant 249 MW, Van Eck thermal plant 120 MW, and Paratus thermal plant 24 MW) which generally produce at less than full capacity. A 21.5 MW plant in Walvis Bay began operating in late 2011. Peak demand is over 500 MW.

Namibia generates less than half the energy it consumes and has long relied on imported power from South Africa (Eskom), but increasing domestic electricity demand in South Africa has reduced its ability to export. As a short to medium term solution, NamPower has diversified its sources of imported power by signing power purchase agreements with utilities in Botswana, Zambia, Zimbabwe, the Democratic Republic of Congo (DRC), and Mozambique.

Over the long-term, the government and NamPower have committed to making Namibia self-reliant in energy production (and eventually a net exporter of power) by building new domestic generation capacity. While the government did not achieve its goal of 75 percent sufficiency by 2010, NamPower has made progress in efforts to increase its generation capacity. NamPower commissioned a fourth turbine at the Ruacana Hydro plant in May 2012 that is capable of generating 92 MW of power. A USTDA-financed study of the Van Eck Power plant was completed in March 2012 and provided the government with several options for extending the life of this plant. Tenders for the 800 MW Kudu gas power plant project were issued in 2013. The government expects the Kudu gas power plant to start supplying electricity by 2017.

NamPower also completed the N\$3.2 billion TransCaprivi Interconnector, which connects central Namibia directly with Zambia and Zimbabawe's power grids and makes Namibia less reliant on South Africa's transmission network.

The Electricity Control Board (ECB), Namibia's electricity regulator, accepts unsolicited power generation projects through its IPP framework. The Minister of Mines and Energy has final authority to approve/refuse IPP licenses, but the ECB makes recommendations on license applications which the Minister has historically followed. To date a number of IPPs have received licenses, but few no power purchasing agreements (PPAs) have been concluded with electricity producers.

Parties interested in developing small power generation facilities may also look to Namibia's Regional Energy Distributors (REDs). Some REDs are looking to develop their own, albeit limited, generation capacity. Partnering with a RED familiar with the ECB's IPP framework might result in faster project implementation. At least one of the REDs has agreed to allow non-generation companies with solar arrays to sell excess power back to the grid, although policies to allow for this do not yet exist at the national level.

Wholesale and consumer energy rates have slowly risen as the ECB approved measures that were intended to help NamPower reach "cost reflectivity" on its tariffs by early 2012. Historically, energy tariffs were capped, limiting NamPower's income and

preventing adequate investment in new infrastructure. To date, tariffs still do not reflect the cost of production.

With ample sunshine and wind resources (on the coast), Namibia has the capability to generate significant energy from renewable sources. In 2013, NamPower issued tenders for three 10 MW solar power plants. While there has been foreign interest in the renewable energy sector, the rigidity of the government's pricing policies make many projects unprofitable in the short term. NamPower and the ECB are exploring a number of options to resolve this issue, such as feed-in tariffs or new tenders to obtain additional capacity.

Approximately 60 percent of Namibians do not have access to electricity because they cannot afford itand/or are not connect to the grid. As a result, in 2007, the government launched its Off-grid Energisation Master Plan (OGEMP), an initiative that promotes the use of renewable energy for households not connected to the grid. The OGEMP recognizes that connecting remote rural communities to the electrical grid is expensive (in some cases prohibitively so), thus it was logical to promote off-grid (frequently renewable) solutions. Donors and government have worked with financial institutions to create low cost financing options so that rural communities and households can afford to purchase and maintain solar energy.

Sub-Sector Best Prospects

Return to top

Products and services with immediate need or potential in Namibia include:

- Construction of new power stations,
- Electricity network upgrades,
- · Refurbishment of turbines and related equipment,
- Transmission and distribution equipment,
- New plant equipment and related systems
- Demand-side management solutions,
- Systems control equipment, and
- Renewable (primarily wind, photovoltaic, concentrated solar, biomass) energy products.

Opportunities Return to top

NamPower has conducted or is near completion of feasibility studies on a number of new power generation and transmission projects (listed below). The lack of investors, concerns over exchange rates and pricing, and cross-border disputes are hampering implementation in some cases.

- Zizabona Connector Project additional transmission links to Zambia and Zimbabwe
- Kudu Power Project -- 800 MW gas plant in Oranjemund
- Orange River Hydro Project -- 10 mini hydroelectric stations

- Slop (bunker fuel) Project slop fuel from ships for a 80 MW thermal power station
- Refurbishment of the Van Eck Power Station
- Baynes Hydroelectric Plant

Cenored

NamPower is seeking investors for these and IPP projects.

Companies interested in undertaking projects independently of NamPower may submit proposals directly to the ECB under its IPP framework.

Companies interested in large-scale renewable energy projects can engage NamPower and/or the ECB. There is specific interest in the following grid-connected renewable energy solutions.

- Wind farms primarily around Luderitz.
- Concentrated Solar Power (CSP) primarily in the southern (desert) regions of Namibia.

Web Resources Return to top http://www.nampower.com.na NamPower http://www.ecb.org.na/ **Electricity Control Board** http://www.mme.gov.na/energy/electricity.htm Ministry of Mines and Energy http://www.reeei.org.na/index.php Renewable Energy & Energy Efficiency Institute http://erongored.com/ Erongo RED http://www.cenored.com.na/

Mining Industry Equipment

Overview Return to top

Mining, Namibia's leading economic sector, accounts for roughly 10 percent of Namibia's gross domestic product (GDP). Historically diamond mining has been the leading sub-sector of Namibia's mining industry. NamDeb, the 50:50 joint venture between the Namibian government and Debeers, is the primary land-based diamond mining company. Debeers Marine handles off-shore diamond mining.

In recent years uranium has become an increasingly important contributor to the economy. Namibia is now the fourth largest producer of uranium oxide in the world.

Rio Tinto's Rossing Uranium mine, in production since the mid 1970's, is the world's third-largest uranium mine. In 2006, Paladin Energy's Langer Heinrich mine came on line. Langer Heinrich is currently undergoing its third phase of expansion (first quarter 2012), which is expected to result in another significant increase in production. Areva, the French-owned vertically integrated nuclear power company, mothballed its Trekkopje uranium mine in 2013 for a variety of reasons including a slump in the global price of uranium oxide. Finally, the Husab mine, adjacent to Rossing and believed to be the world's fourth-largest uranium deposit, has been acquired by a Chinese company. Development of the mine started in early 2013. When fully operational, the mine is expected to push Namibia from being the world's fourth-largest uranium producer to the second-largest..

Namibia is also a leading producer of zinc and has two operational mines Skorpion Zinc (operated by Vedanta Resources) and Rosh Pinah (owned by various shareholders, with Exxaro Base Metals owning the largest interest at 46 percent).

A recently discovered large iron ore deposit by a Chinese company in northwest Namibia is expected to become operational in the near future. Lodestone, a mining company with U.S. shareholding is exploring developing an iron deposit in eastern Namibia.

Other large mining operations include:

Mining Company	Ownership	Product	
Weatherly Mining	Weatherly International*	Copper mining	
Namibia			
Okorusu Fluorspar	Solvay Fluor	Fluorspar (CaF ₂)	
Otjosondu Manganese	Shaw River Manganese	Manganese	
mine			
Navachab	AngloGold Ashanti	Gold	

The Namibian mining industry is well-developed and sophisticated. Many local equipment and service providers exist to facilitate the distribution of foreign goods or services. U.S. goods and services in the following fields are well represented in Namibia (although South Africa and Europe are the largest sources of foreign mining equipment).

- Hauling vehicles and excavation equipment
- Software
- Furnaces
- Drill Rigs
- Automated Controls
- Mining Processing
- GPS Mapping
- Communications Systems
- Materials Handling Technology

Namibian mining companies frequently seek used mining vehicles and excavation equipment in good working order. U.S. companies have sold used equipment to Namibian firms in the past. Namibian customers require warranties on the purchases of used equipment.

Opportunities Return to top

There are at least five uranium projects in exploration; one additional project moved beyond exploration to production in 2013. Bannerman Resources applied for a full mining license for its Etango Project in December 2009, which has yet to be approved. Extract Resources, which received a mining license for its Rossing South Project (now known as Husab) in late 2011, was acquired by the China General Nuclear Power Group (CGNPG) in 2012. CGNPG partnered with Windhoek-based Swakop Uranium and began developing Husab in early 2013. Of the five projects in exploration, the following two have the highest likelihood of reaching full production.

Company	Location	Deposit Type	Measured & Indicated Resources	Inferred Resources
Forsys	Valencia	Hard rock	21,500 tU	4,200 tU
Metals Corp			in 0.016% ore	in 0.012% ore
Bannerman	Etango	Hard rock	41,500 tU	20,000 tU
Resources			in 0.021% ore	in 0.0197% ore

Source: http://www.world-nuclear.org/info/inf111.html

There are many other companies engaged in exploration and mining activities for various other metals/minerals. For a complete listing of companies and the types of mining licenses they have been awarded, check the Ministry of Mines and Energy website (see resources section below). The Ministry typically publishes an up-to-date list of different mining license types monthly.

The U.S. Export-Import Bank and the U.S. Trade Development Agency have added considerable value to numerous African mining operations and enhanced opportunities

for U.S. businesses. (See Chapter 7: Trade and Project Financing for additional information on these agencies.)

Web Resources Return to top

Chamber of Mines of Namibia http://www.chamberofmines.org.na/

Ministry of Mines and Energy http://www.mme.gov.na/

United States Geological http://minerals.usgs.gov/minerals/pubs/country/2007/myb3-

Survey 2007-wa.pdf

Namibia's Mining Policy is governed by several laws, including the following.

Minerals Act 1992: http://www.mme.gov.na/mines/acts/act_minerals.html

• Diamonds Act 1999: http://www.mme.gov.na/mines/acts/act_diamonds.html

 Minerals Policy to ensure the continued sustainability of the industry and its contribution to Namibia's socioeconomic development: http://www.mme.gov.na/pdf/minerals_policy_final.pdf#search='Minerals%20Polic y%20of%20Namibia%20Ministry%20of%20Mines%20and%20Energy

PRT Port/Shipbuilding Equipment

Overview Return to top

Namibia's principal port, Walvis Bay, is strategically located and supported by a network of well-maintained tarred roads that extends across Namibia into Angola, Botswana, South Africa, Zambia, Zimbabwe and DRC. In addition to accessibility and efficiency, Walvis Bay is closer to North America and Europe than any of South Africa's ports. Zambia has developed a "dry port" in Walvis Bay, and Botswana and Zimbabwe have signed agreements to do the same.

Currently, Walvis Bay's container facility can handle 250,000 TEUs. Anticipating further demand, the Port Authority solicited proposals in 2012 to double the container port's capacity. Dredging is expected to begin in late 2013, following the selection of a partner and completion of a financing agreement.

The Walvis Bay Corridor Group is a public-private partnership (PPP) that pools the resources and authorities of both transport regulators and transport operators and serves as a facilitation centre and one-stop shop for domestic trade and trade with the rest of the southern African region. The Walvis Bay Corridor Group, with an intent to further develop Namibia as a western gateway to SADC countries, maintains a multi-modal transport system from Walvis Bay to Gaborone and the South Africa's Gauteng province. Companies interested in opportunities to invest in infrastructure (including road and rail system upgrades) in the area of Walvis Bay should consider contacting the WBCG.

Best Prospects/Services

Return to top

Increased port activity offers opportunities for U.S. port equipment exporters. Quay cranes, container cranes, forklifts, top loaders, rubber tire gantry (RTG) cranes, power packs, and flatbeds are in high demand. As the port of Walvis Bay expands, there will likely be opportunities for suppliers of information and logistics systems and material handling equipment, such as small forklifts, small trucks, and similar equipment. NamPort recently awarded a tender for a new port management system. Companies with expertise in ship and oil rig repair may also find opportunities.

Spin-offs effects resulting from the growth of Walvis Bay provide opportunities for companies in the following sectors:

RRE Railroad Equipment TRK Trucks, Trailers/Buses

The Namibian government is in the process of developing a transport sector master plan, which will be based on an investigation of transportation investments required to help Namibia reach the levels of economic growth envisioned in its Vision 2030 plan.

Opportunities Return to top

Due to the high level of growth in demand for port services, NamPort will construct a new container port facility on reclaimed land inside current port limits. It is also in the process of deepening the harbor from 12.8 meters to 15 meters. When the expansion is completed, the port is expected to have a processing capacity of 500,000 20-foot equivalent units (TEUs).

Walvis Bay is also positioning itself to become a world class ship and oil rig repair facility. RBG Ltd, and Elgin Brown & Hamer, the oldest ship repair company in South Africa, have established a joint venture (Elgin RBG PTY Limited) to provide support services to the African drilling rig and ship repair and upgrade market. Walvis Bay is ideally suited to service oil rigs situated on the Angolan coast that previously would have been serviced in South African ports (Cape Town and Durban) or further afield.

Construction and rehabilitation of rail infrastructure (which is maintained by the government) is essential to achieve NamPort's growth objectives. The state-owned rail company (TransNamib) is also in need of additional locomotives and rolling stock; however, it lacks the capital to acquire new equipment. The government is reviewing how private investment (including FDI) might be applied to the rail sector. There may be opportunities for firms to invest and/or provide equipment once the government has determined how it will open up the rail sector.

Resources Return to top

NamPort http://www.namport.com

Walvis Bay Corridor Group http://www.wbcg.com.na

Ministry of Works and Transport http://www.mwtc.gov.na/

TransNamib http://www.transnamib.com.na/

Roads Authority http://www.ra.org.na/

CFE Commercial Fishing Equipment

Overview Return to top

Fishing is one of Namibia's top industries, contributing between three and seven percent of GDP since 1990, and about 20 percent of export earnings. The Namibian government has been largely successful in sustainably managing its fisheries. It has had mixed results with its program to "Namibianize" the fishing industry which had been dominated by foreign (mostly Spanish) companies. Government incentives to increase Namibian participation have resulted in a proliferation of fishing companies and overcapacity in onshore processing. However, the industry has created jobs for previously disadvantaged Namibians.

Mariculture – primarily oysters – is another market ripe for expansion. Namibian oysters reach market size in half the time of oysters in other parts of the world and, according to some experts, taste significantly better than oysters grown elsewhere. While oyster and abalone farmers seek high-value markets like the U.S., the Namibian Standards Institute has opted not to develop a qualified food lab to provide export certification on the grounds that existing markets are sufficient for the limited quantities Namibia can produce.

Ministry of Fisheries officials have expressed interest in expanding freshwater aquaculture capacity, which may result in new opportunities in coming years.

Best Prospects/Services

Return to top

- Engines/systems that make existing vessels more efficient.
- Water desalination systems
- Industrial ice-making systems
- Marketing services for assisting companies penetrate the U.S. market
- Freshwater aquaculture equipment

Opportunities Return to top

Although there are incentives against significantly automating onshore fish processing (companies that employ more Namibians are generally afforded larger fishing quotas), there may be export opportunities for U.S. equipment manufacturers. As fishing is a capital intensive industry, Namibian companies are looking to acquire equipment/vessels that will reduce overall operating costs.

Namibian companies interested in expanding their fleets often seek used vessels to avoid large capital outlays. However, firms interested in selling used vessels are advised to conduct proper due diligence, as the import of used fishing vessels to Namibia is highly regulated for safety and environmental reasons.

Namibian firms are trying to diversify both their markets and their product lines. U.S. firms that provide assistance with penetrating new seafood markets for both fin fish and shellfish (primarily oysters) or services (know-how) and equipment for developing value-added products may find willing buyers/partners in Namibia.

Resources Return to top

INFOSA http://www.globefish.org/dynamisk.php4?id=2238

 Ministry of Fisheries and Marine Resources
 http://www.mfmr.gov.na/

Namibian Fishing Industry
 http://www.nfi.com.na/
 On line

TRA Travel/Tourism Services

Overview Return to top

	2007	2008	2009	2010	2011
Total Tourist Arrivals	928,912	931,111	980,173	984,099	1, 027, 229
Tourists from Africa	690,148	676,445	723,760	714,288	784, 579
Tourists from Europe	194,603	204116	206494	219,069	194, 430
Tourists from the U.S.	19,342	20,856	20,080	17,826	17,946

Source: Namibian Tourism Board

Namibia has a unique mix of wildlife, spectacular scenery, and diverse cultures. Natural attractions include the Namib Desert, which is the oldest desert in the world; the Fish River Canyon, which is the world's second largest canyon after the Grand Canyon; the world-famous sand dunes at Sossusvlei; the Skeleton Coast with its extraordinary landscapes; and the popular Etosha National Park, one of the largest game reserves in Africa. Namibia's good road infrastructure and high level of economic development compared to many other countries in Africa also contribute to the country's competitiveness as a tourist destination.

In a 2012 report, the World Travel and Tourism Council (WTTC) estimated that tourism accounted for approximately 15.1 percent of Namibia's GDP. The Namibia Statistical Agency (NSA) does not break out tourism as a separate category, so the WTTC GDP estimate is inferred from a compilation of data from related industries, such as hospitality and transportation. The WTTC report forecasted growth of 7.9 percent per annum until 2023.

Excluding neighboring African countries, the U.S. represents Namibia's third largest tourist market, after Germany and the UK. Many American tourists visit as part of package tours. American game hunters are a growing and important segment for Namibian tourism operators. The Ministry of Environment and Tourism is continuing a concerted effort to attract visitors from the North American market by hosting the 2013 Adventure Travel and Tourism Summit.

Despite steady growth in the Namibian tourism sector since independence in 1990, it has underperformed relative to regional competitors and remains especially susceptible to seasonal fluctuations. Diversification of source markets for tourists is a key element to increasing tourist arrivals and reducing seasonal fluctuations. The U.S. government through the Millennium Challenge Account (MCA) continues to invest significantly in Namibia's tourism infrastructure and marketing. Namibia was selected to host the Adventure World Travel Summit in October 2013, which may markedly increase Namibia's recognition as a global adventure tourism destination.

Best Prospects/Services

Return to top

- Hospitality, restaurant, hotel management and training
- Tour packaging services especially in niche segments
- Information technology solutions for the hospitality industry
- Specialized equipment for remote (off-grid) lodging

Opportunities Return to top

Firms interested in sending tourists to Namibia should seek partnering opportunities with local operators. Firms may wish to focus on specific niches. Niche tourism opportunities include:

- Wildlife safaris Etosha National Park and other parks offer world class safaris with upscale lodging both inside and near the parks.
- Hunting tours Namibia has a well-developed and well-regulated game and trophy hunting sector.
- Cultural / Educational tours Namibia is an excellent location for tourists interested in learning about the cultural anthropology of Southern Africa. Tours are available for people interested in learning more about the San, Herero, Himba, Oshiwambo, Nama, Damara, and other Namibian ethnic groups. Some tourists look for educational experiences and want to learn about Namibia's unique climate and geography (including its two world famous deserts, the Kalahari and Namib).
- Adventure tours Many travelers enjoy Namibia's unique adventure opportunities (sand boarding, kite surfing, sky diving, quad biking, mountain biking, hiking, camping, etc.). Also, the country is increasingly host to endurance race events (running, biking, and mixed sports).
- Ecotourism Tourists have become particularly interested in eco-friendly travel opportunities and destinations. Lodging and tour companies are increasingly catering to this market.

Firms interested in developing partnerships should consider attending the annual Namibia Tourism Expo, held in May/June of each year.

Operators (tour/transport companies, hotels and restaurants) will increasingly need information technology solutions that will allow them to better control costs and understand their customers' demands. While some larger tour operators and lodging companies are already equipped with state of the art information technology solutions, Namibian tourism is still highly fragmented, with many small operators. Most small operators have limited Internet presence. Companies that can provide cost-effective internet-based marketing and booking solutions may find willing customers in Namibia.

Growth in the tourism sector is fueling construction and the development of new lodging in both urban and remote areas. While the construction sector is dominated by Namibian, South African, and Chinese companies, there may be opportunities for firms that can provide specialized eco-friendly equipment and supplies – water and sanitation, energy, hygiene, etc. – for new lodges in remote areas. Existing lodges that are expanding or rehabilitating may also be looking for these types of equipment.

Resources Return to top

Namibia Tourism Board http://www.namibiatourism.com.na/

Namibia Tourism Expo http://nte.republikein.com.na/

Hospitality Association of http://www.hannamibia.com/

Namibia

 Federation of Namibia Tourism Associations (FENATA) http://www.nnf.org.na/ENVDIR/pages/fenata.htm

 Ministry of Environment and Tourism http://www.met.gov.na

Agriculture Return to top

Agriculture is one of Namibia's most important sectors. The vast majority of Namibia's population is dependent directly or indirectly on the agricultural sector for their livelihoods. Agriculture's contribution to GDP (excluding fishing) over the last five years has been just over four percent. Livestock farming contributes approximately two-thirds of agricultural production, with crop farming and forestry making up the remaining third of production. Meat processing (which the Namibian government accounts for under manufacturing) contributes another 0.2 to 0.4 percent to GDP.

Livestock farming is a significant source of foreign exchange for Namibia. Most meat is exported to Europe and to South Africa, though China may soon become a new market. As of late 2013, the U.S. Department of Agriculture's Food and Safety Inspection Service (FSIS) was undertaking a technical evaluation to assess whether Namibian beef would be certified as eligible for export to the United States.

In recent years, the export of crops, vegetables, fruits, and forestry products has grown in value, primarily attributable to the export of table grapes.

Two initiatives by the Ministry of Agriculture, Water and Forestry (MAWF), the Green Scheme and the National Horticulture Development Initiative (NHDI), aim to increase local agricultural production and reduce poverty. The Green Scheme encourages the development of irrigated agronomic production.

Under the NHDI, the government aims to increase local production and facilitate the marketing of fruit, vegetables, livestock fodder and other horticultural products. One element of the NHDI is an import substitution program dubbed the Namibian Market Share Promotion (NMSP). Under the NMSP importers must purchase a designated percentage of their turnover within Namibia. As a result of the NHDI and other initiatives, local horticulture production grew by 52 percent from 2004 to 2010 (from 37,823 tons to 57,809 tons) and by 2010 reached an import substitution level of over 22 percent, up from 7 percent before the initiative started. In further support of the NHDI, the government has set up a fresh produce hub in the northern regions toincrease food production while preserving the freshness of food.

To protect local farmers, encourage greater production of grain products, and meet its food security goals, the government's Agronomic Board has established policies to control the import and export of certain grains, including white maize, wheat, and mahangu (pearl millet), and their derivative products. Importers and exporters must acquire a permit from the Agronomic Board and the Ministry of Agriculture, Water and Forestry (MWAF). There are specific restrictions, but no price controls, for each controlled grain. Consult the Agronomic Board website (see below) for further details.

Namibia is a signatory of the Cartagena Protocol. The Biosafety Act of 2006 governs the use/importation of bio-engineered (genetically modified) crops. Implementing regulations have been established, and are expected to come into force in 2013 or 2014, pending approval of relevant regulations.

Best Prospects/Services

Return to top

Marketing and distribution of indigenous plants

- Highly efficient irrigation systems including solar/wind powered systems
- Farming equipment and machinery

Opportunities Return to top

Government Projects

The Namibian Ministry of Agriculture, Water and Forestry held a Agriculture Investment Conference in September 2010. At that conference the Ministry unveiled a host of projects in the agricultural sector which the Namibian government is seeking investors. Information on the project is available at: http://www.agri2010.com.na/. The Ministry issued an updated list of projects at the 2011 Namibia Investment Conference. This statement is available at

http://www.mawf.gov.na/Documents/STATEMENT%20%20by%20John%20Mutorwa%20NIC%20Conference%2030%20November%202011.pdf

Indigenous Plants

There may be investment and partnering opportunities in the marketing and distribution of indigenous plants such as devil's claw, hoodia, jojoba, and marula for the medicinal and cosmetic industries.

Devil's claw is a medicinal plant native to southern Africa. It grows in Namibia, South Africa, and Botswana. Namibia is the world's main supplier of devil's claw. The root of the plant is used in herbal preparations and is said to have anti-inflammatory properties. Hoodia is a cactus-like plant and is valued for its appetite suppressant qualities. Hoodia is classified as a protected species in Appendix II of the Convention on International Trade in Endangered Species (Cites). The Namibian government is making efforts to develop guidelines for the development of a sustainable hoodia industry. Exporters of hoodia requires a permit from the Ministry of Environment and Tourism.

Through the Millennium Challenge Corporation (MCC), the U.S. government is financing USD \$6.7 million in activities that will help local communities bring Namibian indigenous plant products to high-value markets in North America, Europe and Asia. This program is aimed at increasing the volume, quality, and value addition of the natural products harvested by local growers, advancing local these organizations' operational and business capacity, and supporting the formulation of regulations, policies and implementation plans to ensure the protection of indigenous natural products.

Irrigation Systems

As Namibia is a very arid country, the efficient use of water (even in areas around perennial rivers) is a requirement for effective agriculture. Namibian farmers require highly efficient (low loss/waste) irrigation systems. Irrigation systems tied to renewable energy (solar/wind) are also desirable, as farms in remote areas may not be connected to the grid.

Farming Supply and Equipment

There are a number of agricultural supply and equipment wholesalers and retailers in Namibia. AGRA is an agricultural co-operative that has outlets throughout most of Namibia.

Resources		Return to top		
•	Ministry of Agriculture, Water and Forestry	http://www.mawf.gov.na/		
•	Namibia Agronomic Board	http://www.nab.com.na		
•	Meat Board of Namibia	http://www.nammic.com.na/		
•	Meatco	http://www.meatco.com.na/		
•	Namibia Agricultural Union	http://www.agrinamibia.com.na/		
•	Agra	http://www.agra.com.na/home.htm		

Return to table of contents

Chapter 5: Trade Regulations, Customs and Standards

- Import Tariffs
- Trade Barriers
- Import Requirements and Documentation
- U.S. Export Controls
- Temporary Entry
- Labeling and Marking Requirements
- Prohibited and Restricted Imports
- Customs Regulations and Contact Information
- Standards
- Trade Agreements
- Web Resources

Import Tariffs Return to top

Namibia is a member of the Southern African Customs Union (SACU), which serves to harmonize the trade regimes of Namibia, Lesotho, Botswana, South Africa, and Swaziland. There are no tariff barriers among SACU members. South Africa generally sets the tariff schedule for SACU with consultation from SACU members, although SACU states have been working to establish a tariff board.

Most intra-SACU trade in goods is also free of non-tariff barriers. Imports from the rest of the world are charged a common external tariff and excise tax. Since the WTO's Uruguay Round in 1994, SACU countries, led by South Africa, have reformed and simplified their common tariff structure. Tariff rates have been reduced from a simple average of more than 20 percent to 5.8 percent. Despite these reforms, the SACU tariff schedule remains complex and is sometimes confusing. Tariff rates fall mostly within eight levels ranging from 0 percent to 30 percent, but some are higher, such as for most apparel items.

For more information on SACU's tariff regime see the World Trade Organization (WTO) document: http://www.wto.org/english/tratop_e/tpr_e/s222-00_e.doc.

The SACU secretariat is based in Namibia. To access SACU's Common External Tariffs (CET), refer to this link: http://www.sacu.int/tradef.php?include=about/tradef/tariffs.html.

SACU Member States use similar Customs and Excise Legislation. To access the Namibia Customs and Excise Act, click on: http://www.mof.gov.na/legislation1.htm.

For more information on Namibia trade policies, see the World Trade Organization (WTO) document: http://www.wto.org/english/tratop_e/tpr_e/s222-03_e.doc.

To view the Namibian Customs and Excise Act of 1998 see:

http://www.scribd.com/doc/16633821/Customs-and-Excise-Act-20-of-1998

Trade Barriers Return to top

According to the World Bank's 2013 Doing Business Report, Namibia ranked 140 out of 185 countries for Trading Across Borders. The report notes that it requires nine documents to export a product from Namibia, and seven documents to import a product into the country. The average time to export is 25 days, while 20 days on average are required for imports.

Beyond customs delays, the government has imposed a number of import and export restrictions, mostly on agricultural products. White maize, wheat, and mahangu (pearl millet) and products derived from these three grains are controlled. Controlled grain crops can only be imported or exported with permits issued by the Agronomic Board and the Ministry of Agriculture, Water and Forestry (MWAF). For each controlled grain there are specific restrictions, but restrictions do not include price controls.

The government has also instituted an import substitution program for horticultural products requiring importers to source a designated percentage of produce from within Namibia before acquiring horticultural products from foreign markets. Farmers of livestock must demonstrate that they have complied with export restrictions before they are entitled to export. For example, for every live sheep exported, a farmer must have six sheep slaughtered within Namibia.

As a member of SACU, Namibia is bound by certain tariff quotas which affect the import of food products, namely butter, cheese, milk powder, and wheat.

Namibia invoked infant industry protection for UHT milk and pasta. The protection for UHT milk was lifted at the beginning of 2012. The protection for pasta is due to expire in 2014. Infant industry protection for poultry has been approved though not yet granted.

In January 2005, Namibia banned the import of used vehicles older than five years from non-SACU countries as well as left-hand drive vehicles. Older vehicles are routinely imported to neighboring Botswana and then brought across the intra-SACU border, although efforts may be underway to close this loophole.

Import Requirements and Documentation

Return to top

The Directorate of International Trade of the Ministry of Trade and Industry (MTI) is responsible for coordinating the country's trade policies and overseeing Namibia's participation in international trade bodies. The Directorate is responsible for managing import/export procedures. Namibia is a party to the WTO Agreement on Import Licensing.

All imports are subject to licensing, but most licenses are automatically granted. A limited number of products are subject to non-automatic licenses, including medicines, chemicals. frozen and chilled fish and meat, live animals and genetic materials, controlled petroleum products, firearms and explosives, second-hand goods such as clothing and motor vehicles, and diamonds, gold, and other minerals. In practice, however, the Ministry of Trade and Industry does not issue licenses for imported used clothing.

Most agricultural imports require a permit issued by MTI. The Namibian Agronomic Board issues permits for the import, export, and transit of controlled agronomic crops such as wheat and wheat products as well as corn and corn products. Imports of agronomic crops and derivatives, as well as all plants and plant products, also require the issuance of phytosanitary certificates by the Ministry of Agriculture, Water and Forestry. The Namibian Meat Board regulates the import and export of live animals (cattle, sheep, goats, and pigs) and derivative meat products. Importers of live animals and meat products must demonstrate compliance with the country's animal health standards by obtaining a veterinary import permit from the Directorate of Veterinary Services.

For inquiries regarding import and export requirements contact:

Ms. Renette Smuts Chief Trade Promotion Officer Ministry of Trade and Industry Tel. +264-61-283 7293 E-mail: smuts@mti.gov.na

U.S. Export Controls

http://www.mti.gov.na/

Return to top

The Arms Export Control Act (AECA) is the cornerstone of U.S. munitions export control law. This statute is implemented by the International Traffic in Arms Regulations (ITAR). All persons or entities that engage in the manufacture, export, or brokering of defense articles and services must be registered with the U.S. government. The ITAR sets out the requirements for licenses or other authorizations for specific exports of defense articles and services. U.S. companies requiring information on exporting ITAR items to Namibia should contact the Department of State's Directorate for Defense Trade Controls (DDTC) Helpdesk at 202-663-1282, Response Team E-mail DDTCResponseTeam@state.gov or visit http://www.pmddtc.state.gov/. The Export Administration Act of 1979, as amended, authorizes the Department of Commerce, in consultation with other appropriate agencies, to regulate the export or re-export of U.S.-origin dual-use goods, software, and technology. The Department of Commerce's Bureau of Industry Security (BIS) implements this authority through the Export Administration Regulations (EAR) (http://www.bis.doc.gov/).

Temporary Entry

Return to top

The Customs and Excise Act and the VAT Amendment Act allow for goods to be temporarily admitted under certain circumstances. There are customs procedures/regulations that allow certain goods and products to be brought into Namibia without import duties and taxes. Warranty or non-warranty items may enter for repair provided that supporting documents from the consignor provide sufficient details.

For more information, click on the following link: http://www.mof.gov.na/

Labeling and Marking Requirements

Return to top

The Namibia Standards Institute (NSI) is responsible for adopting standards to make the development, manufacture and supply of products and services more efficient and safer and facilitate trade between Namibia and other countries.

For more information on NSI, click on the following link: http://www.nsi.com.na/index.php.

Prohibited and Restricted Imports

Return to top

These are some of the goods that are listed in the Consolidated List of Prohibited and Restricted Imports/Exports:

Description of goods	Prohibition/	Authority/Body	Action Required
	Restriction		
Firearms & Ammunition	Restricted	Namibian Police	Imp/Exp Permit
Explosive/Fireworks	Restricted	Namibian Police	Imp/Exp Permit
Honey	Restricted	Ministry of Agriculture	Imp/Exp Permit
All live Plants/products	Restricted	State Veterinary	Imp/Exp Permit
All live animals	Restricted	State Veterinary	Imp/Exp Permit
Meat/Meat offal	Restricted	MeatCo	Imp/Exp Permit
Wheat, maize, cereal	Restricted	Agronomic Board	Imp/Exp Permit
Used Pneumatic tyres	Restricted	Ministry of Trade	Import Permit
Raw hide & skins	Restricted	MAWF/State Vet.	Imp/Exp Permit
Diamonds/Gold	Restricted	Mines & Energy	License

To view the complete document, please click on the following link: http://www.sars.gov.za/home.asp?pid=175

This list is maintained by the South African government, but all Southern African Customs Union (SACU) member states use it for enforcement purposes. For further information, contact the Namibian Customs and Excise Office. The contact details are listed in the section below.

For more information on Namibian import restrictions and prohibitions see pp 225-227 of WTO document: http://www.wto.org/english/tratop_e/tpr_e/s222-03_e.doc.

Customs Regulations and Contact Information

Return to top

Namibia is a member of the Southern Africa Customs Union (SACU). Customs regulations are documented in the Customs and Excise Act (Act no. 20 of 1998) and conform to most international conventions relating to recommended practices regarding the import and export of goods. For more information on Namibian Customs and Excise, please click on the following link: http://www.mof.gov.na/custom1.htm.

Contact Information Centre of the Namibian Customs Office:

Customs and Excise Information Centre Private Bag 13185, Windhoek, Namibia

Moltke Street, Windhoek Tel. +264-61-209 2047/2636/2005/2006 Fax +264-61-254 510

Standards Return to top

- Overview
- Standards Organizations
- Conformity Assessment
- Product Certification
- Accreditation
- Publication of Technical Regulations
- Labeling and Marking
- Contacts

Overview Return to top

The Namibia Standards Institution (NSI) administers standards in Namibia. The NSI is responsible for promoting standardization of products for the safety of consumers and protection of the environment for improved access to global markets. Namibia has acceded to the World Trade Organization (WTO) Code of Good Practice for the Preparation, Adoption and Publication of Standards. For more information on the services of NSI click on the following link: http://www.nsi.com.na/index.php.

Standards Organizations

Return to top

See details on the Namibia Standards Institution (NSI) in above overview.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries.

Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: http://www.nist.gov/notifyus/.

Conformity Assessment

Return to top

The Namibia Standards Institution (NSI) conducts testing, inspection, and certification services for Namibian products and services.

For more details about the NSI, click on: http://www.nsi.com.na/index.php.

Product Certification

Return to top

Agricultural products are certified by the Ministry of Agriculture, Water and Forestry. There are no mutual recognition agreements with U.S. organizations.

Accreditation Return to top

There is no accreditation body in Namibia. The South African National Accreditation body (SANAS: http://www.sanas.co.za) currently provides for Namibia's accreditation needs. Laboratories are required to get formal recognition that they are competent to perform specific tasks. The Accreditation Board of Namibia Act passed in 2005 provides for the establishment of an accreditation body and plans are underway to establish one.

Publication of Technical Regulations

Return to top

The Namibian Standards Institution (NSI) is a Correspondent Member of the International Organization for Standardization (ISO) and subscribes to the World Trade Organization /Technical Barriers to Trade (WTO)/TBT Annex 3 Code of Good Practice for the Preparation, Adoption and Application of Standards. The NSI has developed standards and regulations, in accordance with the provisions of the Code, based on the WTO principle of transparency. These standards and regulations are pending until implementation of the Standards Act No. 18 of 2005.

Labeling and Marking

Return to top

Product labeling and marking requirements are governed by the Trade Metrology Act No. 77 of 1973, as amended, and are administered by the Ministry of Trade and Industry.

Contacts Return to top

Namibian Standards Institution (NSI)

Physical Address: The Forum (Old Sanlam Building) First Floor Suite 115 11-17 Dr Frans Indongo Street Windhoek

Namibia http://www.nsi.com.na/index.php

Standards point of contact at Embassy Windhoek:

Economic and Commercial Office 14 Lossen Street, Windhoek, Namibia Tel. +264-61-295 8500 Fax +264-61-295 8603 Email:

econ_comm_Windhoek@state.gov

Mailing Address: P.O.Box 26364

Windhoek

Tel: +264 61 386400 Fax: +264 61 386454 E-mail: query@nsi.com.na

Trade Agreements

Return to top

SACU - Namibia is a member of the Southern African Customs Union (SACU). SACU ensures the free movement of goods among its members, namely Namibia, Botswana, Lesotho, Swaziland and South Africa. SACU website: www.sacu.int.

SACU-EFTA Free Trade Agreement – This agreement was concluded in 2004.

SADC Protocol on Trade – Namibia is a member of the Southern African Development Community (SADC). This agreement was concluded in 1999.

SACU-Mercosur Preferential Trade Agreement - This Agreement was signed in December 2004 and renewed/revised in 2008 but Namibia has not yet ratified it The Mercusor members are Argentina, Brazil, Paraguay and Uruguay. SACU website: www.sacu.int.

SACU-USA Trade, Investment and Development Cooperation Agreement - This agreement was concluded in 2008. For more information, see USTR website, http://www.ustr.gov/countries-regions/africa/regional-economic-communities-rec/southern-african-customs-union-sacu.

AGOA - Namibia benefits from the African Growth and Opportunity Act (AGOA), a unilateral and non-reciprocal program that provides African countries with duty-free access to the U.S. market for more than 6,400 products. For more information on AGOA, visit: www.agoa.gov.

SADC - The Southern African Development Community (SADC) aspires to create an integrated regional economic bloc among its member states of Namibia, Angola, Botswana, the Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. SADC has a population of over 190 million people. The SADC FTA was launched by 12 countries out of 14 SADC members (excluding Angola and DRC) in 2008. For more information about SADC, visit: www.sadc.int.

Cotonou Agreement - Namibia is part of the African Caribbean Pacific (ACP) – European Union (EU) partnership Agreement, which grants non-reciprocal preferential access to the EU market for some ACP products. To view the Cotonou Agreement, click on: http://ec.europa.eu/development/body/cotonou/agreement en.htm

Namibia also has bilateral agreements with Angola, Tunisia, Zimbabwe, Cuba, Ghana, India, Malaysia and Russia.

For more information on trade agreements, contact:

The Ministry of Trade and Industry

Mailing Address:
Directorate of International Trade
Private Bag 13340
Windhoek, Namibia

Office Address: Block B, Brendan Simbwaye Square Goethe Street Windhoek, Namibia

E-mail: dit@mti.gov.na Tel: +264-61-283-7331

Web Resources	Return to top
Ministry of Trade and Industry	www.mti.gov.na
 Ministry of Agriculture, Water and Forestry 	www.mawf.gov.na/
 Ministry of Fisheries and Marine Resources 	www.mfmr.gov.na
Ministry of Health and Social Services	www.mhss.gov.na/
Ministry of Finance	www.mof.gov.na
Namibian Standards Institute	www.nsi.com.na/index.php
 Southern Africa Customs Union (SACU) 	www.sacu.int
 World Trade Organization Trade Policy Review (TPR) of SACU 	www.wto.org/english/tratop_e/tpr_e/tp322_e.htm

Fax: +264-61-253865

Return to table of contents

Return to table of contents

Chapter 6: Investment Climate

- Openness to Foreign Investment
- Conversion and Transfer Policies
- Expropriation and Compensation
- Dispute Settlement
- Performance Requirements and Incentives
- Right to Private Ownership and Establishment
- Protection of Property Rights
- Transparency of Regulatory System
- Efficient Capital Markets and Portfolio Investment
- Competition from State Owned Enterprises
- Corporate Social Responsibility
- Political Violence
- Corruption
- Bilateral Investment Agreements
- OPIC and Other Investment Insurance Programs
- Labor
- Foreign-Trade Zones/Free Ports
- Foreign Direct Investment Statistics
- Web Resources

Openness to Foreign Investment

Return to top

The Government of the Republic of Namibia (GRN) is committed to stimulating economic growth and employment through attracting foreign investment. The Foreign Investment Act of 1990 is the primary legislation that governs foreign direct investment in Namibia. The Ministry of Trade and Industry (MTI) is the governmental authority which is primarily responsible for carrying out the provisions of the Foreign Investment Act.

Under the Foreign Investment Act, the Ministry established the Namibia Investment Center (NIC). The NIC serves as Namibia's official investment promotion and facilitation office. It is often the first point of contact for potential investors. The NIC is designed to offer comprehensive services that range from the initial inquiry stage through to operational stages. The NIC also provides general information packages and advice on investment opportunities, incentives, and procedures. The NIC is tasked with assisting investors in minimizing bureaucratic "red tape" by coordinating work with government ministries as well as regulatory bodies.

The NIC is responsible for screening all potential foreign investments. The NIC does not follow a formal review process, but it does evaluate the credibility of potential investors and their business presentations and gauges the potential economic benefit to the country. The NIC's decisions are forwarded to the Minister of Trade and Industry for final approval/rejection.

The Namibian Competition Commission (NaCC), established in 2009 under the Competition Act of 2003, is responsible for reviewing mergers (foreign and domestic) to safeguard and promote competition in the Namibian market. See the section on Transparency of the Regulatory system for more information on the Competition Commission.

The Foreign Investment Act guarantees equal treatment for foreign investors and Namibian firms, including fair compensation in the event of expropriation, international arbitration of disputes between investors and the government, the right to remit profits and access to foreign exchange. Investment incentives and special tax incentives are also available for the manufacturing sector.

The Namibian government issued its industrial policy in 2012. Based on Vision 2030, the government's long-term strategic plan, the industrial policy outlines plans to revise the country's production structure and export policies and to increase the size of the small and medium enterprise (SME) sector.

The Registrar of Companies in the Ministry of Trade and Industry is responsible for managing, regulating, and facilitating the formation of businesses. The Registrar's office encourages investors to seek professional advice from legal practitioners, auditors, accounting officers, or secretarial firms when registering their businesses. The Namibian Embassy in Washington provides a guide to registering a business which can be found here: *Register a Business*.

Other laws that impact foreign investors include the 2004 Companies Act and the 1998 Close Corporation Act. These laws provide the legal framework for the establishment of business entities. The 2004 Companies Act went into force on November 1, 2010.

The Namibian court system is independent and is largely perceived to be free from government interference. However, the judicial process is slow, with court cases often taking several years to be resolved.

Foreign Ownership Restrictions

While the Foreign Investment Act stipulates that foreign investors should be treated the same as Namibian investors, the Act acknowledges that the government has the right to impose restrictions. Most restrictions have to do with land and natural resource rights and government contracts (tenders). For example, the government requires local participation before issuing licenses to exploit natural resources and has implemented additional restrictions in the case of certain "strategic minerals".

In 2011, the Namibian government declared uranium, diamonds, gold, copper, and rare earth metals to be strategic minerals. The declaration aims to make the Namibian Government and the people of Namibia meaningful participants in the mining sector by granting state-owned companies the right to own all new licenses issued for the exploration and mining of strategic minerals. Such companies are authorized to enter into joint ventures with other parties for exploration and/or development. Currently, there is only one such company, Epangelo. Renewal of existing licenses will not be affected.

The Land Reform Act regulates the acquisition of agricultural land by foreign nationals. No foreign national is allowed to acquire agricultural land without the prior consent of the Minister of Lands.

Government transactions, including the procurement of goods and services, are to be

Government Tenders

Parliament.

coordinated through the Tender Board of Namibia (http://www.mof.gov.na/tender.htm). The board comprises representatives from various government ministries appointed by the Minister of Finance. The Government is required by law to publicize calls for tenders in the local media and the Namibia Government Gazette. Although the primary aim of the tender board is to ensure that tenders are awarded to the best bid in an open bidding process, the procurement policy of Namibia does permit preferences according to certain socio-economic goals and strategies. All companies domiciled in Namibia are eligible for these preferences. In addition, the Tender Board may exempt procurements from the tender procedures if they are valued at less than \$N10,000, or the Board finds good cause to deem it impracticable or inappropriate to invite tenders. Although the tender process is well-

defined, there has been significant controversy in Namibia over how the Tender Board operates in practice and this has resulted in a marked drop in confidence in the tender process. Numerous companies and media outlets have cited transparency as a core issue. A draft bill that will make significant reforms to the Tender Act promises to increase transparency significantly, but there are no indications when it will be tabled in

The board generally requires that, to be eligible to compete for government tenders, companies be registered with the Ministry of Trade and Industry and be in good standing with the Department of Inland Revenue (the tax authority) and the Social Security Commission.

Independent Ratings on Namibia's Investment Climate

The World Bank ranked Namibia 87 among185 countries in its 2013 Doing Business report. Namibia has seen a steady decline in its rankings since 2007, when it was ranked 42 among the 175 countries evaluated. In the 2013 report, Namibia received its lowest rankings for registering property, trading across borders and starting a business. The World Bank reported that registering property takes on average 8 procedures and 40 days, and the process costs 13.8 of the property's value. It takes 9 documents and approximately 29 days to export a product and while it takes 7 documents and 24 days to import an item (trade across borders). Starting a business in Namibia requires on average 10 procedures and 66 days.

In October 2012, Moody's assigned Namibia a credit rating of Baa3/stable, which was identical to Namibia's 2011 rating. In December 2012, the Fitch Ratings service issued Namibia a long term foreign currency rating of BBB-, Fitch's lowest investment-grade rating. This rating has remained unchanged since 2005.

In 2005, the Southern Africa Global Competitiveness Hub (now the Southern African Trade Hub), funded by the U.S. Agency for International Development (USAID) conducted an Investor Roadmap Study for Namibia at the request of the Ministry of

Trade and Industry. The study identified 51 recommendations to improve administrative, regulatory, and procedural issues that could have a potential positive impact on the attractiveness of Namibia to foreign direct investment (FDI). In 2010, the Trade Hub conducted a follow-up audit to review progress on implementing these recommendations. The audit determined that 16 recommendations had been implemented, and 24 others were pending. To view the findings of the audit see: Investor Roadmap Audit Report

Foreign Investment in the Namibian Stock Exchange

Foreigners must pay a 10% non-resident shareholders tax on dividends; however there are no capital gains or marketable securities tax. As a member of the Common Monetary Area, the Namibia Dollar (denoted as N\$) is pegged one-to-one with the South African Rand.

Infant Industry Protection

The pasta industry has enjoyed infant industry protection since 2003 under the terms of a provision in the Southern African Customs Union (SACU) Agreement. This means the government charges up to 40 per cent import tariffs on imported pasta. This protection is valid until 2014. The cement industry also enjoys infant industry protection until 2018. In 2012, the company Namib Poultry Industries applied for infant industry protection.

Index/Ranking

TI Corruption Index	2012	Score 48 Ranking 58 of 176
Heritage Economic Freedom	2012	Score 61.9 Ranking 76 of 184
World Bank Doing Business	2012	87 of 185
MCC Govnt Effectiveness	2009	0.55 (90%)
MCC Rule of Law	2009	0.59 (73%)
MCC Control of Corruption	2009	0.64 (87%)
MCC Fiscal Policy	2009	1.3 (75%)
MCC Trade Policy	2009	88.4 (100%)
MCC Regulatory Quality	2009	0.18 (67%)
MCC Business Start Up	2009	0.928 (34%)
MCC Land Rights Access	2009	0.571 (13%)
MCC Natural Resource Mgmt	2009	78.16 (29%)
MCC Inflation	2009	6.7 (30%)

Conversion and Transfer Policies

Return to top

The Foreign Investment Act of 1990 offers investors meeting certain eligibility criteria the opportunity to obtain a Certificate of Status Investment (CSI). A "status investor" is entitled to:

 Preferential access to foreign exchange to repay foreign debt, pay royalties and similar charges, and remit branch profits and dividends;

- Preferential access to foreign currency in order to repatriate proceeds from the sale of an enterprise to a Namibian resident;
- Exemption from regulations which might restrict certain business or categories of business to Namibian participation;
- Right to international arbitration in the event of a dispute with the government;
 and
- Payment of just compensation without undue delay and in freely convertible currency in the event of expropriation.

To obtain a CSI, an investor must apply to the Ministry of Trade and Industry. The investor's application must demonstrate the extent to which the proposed investment will:

- Contribute toward Namibia's development objectives;
- Utilize Namibian labor and natural resources to contribute to the economy;
- Assist in the advancement of socially, economically or educationally disadvantaged Namibians;
- Make provisions for equal opportunities for women; and,
- Likely impact on the environment (companies are required to propose measures to mitigate adverse environmental consequences).

Non-status investors are subject to exchange controls under the South African regulations applicable to the Common Monetary Area (CMA), which includes South Africa, Lesotho, Swaziland and Namibia.

There is no limit on investment transfers by corporations to other countries. The Bank of Namibia (BoN), Namibia's central bank, processes applications. Non-residents may access local credit up to 200 percent of their total shareholders' investment to finance foreign direct investments in Namibia. The banking system is modern and closely tied to the South African system. Three of the four local commercial banks are subsidiaries of South African banks. All local commercial banks handle international transactions and trade financing. Banking fees and charges are among the highest in the world.

The BoN must approve all loans originating from foreign lenders no matter how the loan is denominated. To approve a loan the BoN reviews the loan agreement between the two (foreign and local) parties. The documentation is provided by the local commercial bank in which the loan funds will be deposited. The BoN usually responds within three days.

Loans may be denominated in local or foreign currency. However, interest rate caps on foreign loans depend on the currency denomination. The South African Rand (ZAR) is viewed as local currency.

Interest rate caps on foreign originating loans:

- Foreign originating loans denominated in a foreign currency may not exceed LIBOR + 200 basis points.
- Foreign originating loans denominated in a local currency (ZAR or N\$) many not exceed the local prime rate + 300 basis points.
- These caps are determined by the Common Monetary Area.

The BoN requires that the principal payment on a foreign originated loan may not be shorter than 6 months. The BoN must approve the principal payment prior to the transaction. The BoN essentially reviews that the principal payment is in line with what was in original loan agreement. The local commercial bank handling the principal payment provides the requisite documents to the BoN. The BoN usually responds within 3 days.

The BoN does not review interest payments. In other words, commercial banks can transmit interest payments without the BoN's review. The BoN has never faced a situation in which it restricted a loan repayment. Foreign currency reserves have, to date, always been sufficient to cover foreign loan payments.

Expropriation and Compensation

Return to top

Government expropriations are rare. According to the Foreign Investment Act, foreign investors who have received a Certificate of Status Investment (CSI) are entitled to "just compensation without undue delay and in freely convertible currency" if the government expropriates the investor's property. Furthermore, the courts are generally independent and uphold contracts.

The primary mechanism for land reform that the government continues to pursue is a "willing buyer-willing seller" program, which is rooted in Namibian law – specifically the Land Reform Act of 1995. In 2003, this Act was amended to allow the expropriation of property in the public interest subject to the payment of "just" compensation and in accordance with legal procedures. Landowners have the option to challenge the Government, including the price offered for expropriation, through the court system. As in other Southern African countries emerging from apartheid and colonialism, land reform is at the forefront of public debate. The Namibian government has been criticized for the slow pace of acquiring commercial farmland and resettling Namibia's landless. In 2012, President Pohamba said publicly on several occasions that Namibia needs to adopt a more comprehensive land reform policy in order to avoid civil unrest.

Under its land reform program the government has attempted the expropriation of "unproductive" agricultural land from both domestic and overseas (primarily German) landowners. In 2005, the only year in which the Government took such action, the GRN expropriated four farms. The High Court of Namibia on March 6, 2008 made its first ruling on the legality of expropriation under the land reform program. The Court ruled the program was constitutional but found that the Ministry of Lands and Resettlement's administration of the expropriation process had violated Namibian law on several grounds. As a result of the ruling, two farms were returned to their owners, while the GRN compensated in full the absentee owners of the other two farms.

Dispute Settlement

Return to top

The Foreign Investment Act allows for the settlement of disputes by international arbitration for investors that have obtained a Certificate of Status Investment (CSI). The CSI must also include a provision for international arbitration. The Act stipulates that arbitration "shall be in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law in force at the time when the Certificate was issued" unless the CSI stipulated another form of dispute resolution.

There is no domestic arbitration body. Investors without a CSI that encounter a dispute will have to address their dispute in the Namibian courts, or the court system which has jurisdiction according to the investor's contract. The Namibian court system is independent and is largely perceived to be free from government interference. Per the Criminal Procedure Act of 2004, foreign court judgments may be accepted if a bilateral treaty is in place.

Namibia's legal system, based on Roman Dutch law, is similar to South Africa's legal system. The system provides effective means to enforce property and contractual rights. The Companies Act of 1973 governs company and corporate liquidations while the Insolvency Act 61 of 1936 governs insolvent individuals and their estates (these are South African laws that remained in effect after Namibia became independent in 1990). The Insolvency Act details sequestration procedures and the rights of creditors. An Insolvency Amendment Bill was passed in 2005 but has not yet been signed into law.

As the "one-stop-shop" for investors, the NIC should be the body that first learns of an investment dispute between a foreign investor and a domestic enterprise. The NIC has never received a report of an investment dispute.

Namibia signed but has not ratified the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States.

Performance Requirements and Incentives

Return to top

Namibia does not impose performance requirements on foreign investors as a condition for establishing, maintaining, or expanding investments. The requirements in place are mostly imposed as a condition to access tax and investment incentives. For example, to benefit from incentives in a planned export processing zone, investors are required to export a certain percentage of the finished product. There is no legal requirement for investors to purchase from local sources. However, for certain industries, there are local content requirements to exempt final products from duties under the Southern African Customs Union (SACU).

Incentives

Incentives are mainly aimed at stimulating manufacturing and attracting foreign investment to Namibia and promoting exports. To take advantage of the incentives, companies must be registered with the Ministry of Trade and Industry (MTI) and the Ministry of Finance. Tax and non-tax incentives are accessible to both existing and new manufacturers. The MTI has developed a brochure titled *Special Incentives for Manufacturers and Exporters* which is available from the Namibia Investment Centre (NIC). Namibia has also established an Export Processing Zone (EPZ) regime that offers favorable conditions for companies wishing to manufacture and export products for regional and international markets (see section Foreign-Trade Zones/Free Ports).

The Ministry of Trade and Industry is reviewing the Foreign Investment Act. According to government sources, the impetus to change the act is the desire to provide domestic investors with the same incentives afforded foreign investors. The government is also contemplating expanding incentives beyond the manufacturing sector to service industries (primarily hospitality and tourism).

Import Permits

The Ministry of Trade and Industry requires import permits for products entering the country. Products subject to non-automatic import licensing are medicines, chemicals, frozen and chilled fish, meat including game, live animals, genetic materials, pornographic materials, controlled agronomic products, controlled petroleum products, firearms and explosives, diamonds, coins, gold, and other minerals, and almost all second-hand goods, including clothing and motor vehicles. In practice, the Ministry of Trade and Industry does not issue licenses for used clothing imports.

Most non-agricultural imports only require a permit issued by MTI. For some agricultural product, additional documentation is necessary. The Namibian Agronomic Board issues permits for the import, export, and transit of controlled agronomic crops such as wheat, wheat products, corn, and corn products. Agronomic crops and derivatives and plants and plant products also require a phyto-sanitary certificate issued by the Ministry of Agriculture, Water and Forestry (MAWF). Retailers of fruits, vegetables, and other crop products must purchase 27.5 percent of their stock from local farmers. The Namibian Meat Board regulates the import and export of live animals (cattle, sheep, goats and pigs) and derivative meat products. Importers of these products must demonstrate compliance with the country's animal health standards by obtaining a veterinary import permit from the Directorate of Veterinary Services. The import of wood and lumber products requires permits from the MAWF.

Namibia is a party to the WTO Agreement on Import Licensing.

Black Economic Empowerment and Affirmative Action

The government actively encourages partnerships with historically disadvantaged Namibians. Although the Government does not have a codified Black Economic Empowerment (BEE) program, the Ministry of Labor and Social Welfare's Equity Commission requires all firms to develop an affirmative action plan for management positions and to report annually on its implementation. In November 2011, the Prime Minister tabled the "New Equitable Economic Empowerment Framework," which aims to create conditions in which the distribution of income becomes far more equitable than it is at present. After some debate, the draft policy was withdrawn for possible revision and has not been re-introduced to Parliament. Namibia's Affirmative Action Act strives to create equal employment opportunities, improve conditions for the historically disadvantaged, and eliminate discrimination. The commission facilitates training programs, provides technical and other assistance, and offers expert advice, information, and guidance on implementing affirmative action in the work place.

In certain industries the government has employed techniques to increase Namibian participation. In the fishing sector, companies pay lower quota fees if they operate Namibian-flagged vessels that are based in Namibia, with crews that are predominantly Namibian. The Minister of Mining and Energy has made clear that mining companies must "indicate and show commitment to empower previously disadvantaged Namibians" in their applications for exploration and mining licenses.

Work Permits

The lengthy and administratively burdensome process of obtaining work permits is among investors' greatest complaints in Namibia. Although the government cites the country's high unemployment rate as its motivation for a strict policy on work permits, generally Namibia does not yet have the available skills capacity to fill the jobs which most foreigners currently hold (see Labor Section).

Right to Private Ownership and Establishment

Return to top

The Namibian constitution guarantees all persons the right to acquire, own and dispose of all forms of property throughout Namibia, but also allows parliament to make laws concerning expropriation of property (see above) and to regulate the right of foreign nationals to own or buy property in Namibia. There are no restrictions on the establishment of private businesses, size of investment, sources of funds, marketing of products, source of technology, or training in Namibia.

Real Estate

Foreign investors can purchase and own land in Namibia. There is an exception related to agricultural land. Due to Namibia's ongoing land reform and resettlement process, legislation restricts non-resident foreigners from purchasing agricultural farmland. Some stakeholders have called for the expropriation of agricultural land owned by non-resident foreigners (so-called absentee owners). However, to date, the government has not engaged in any significant expropriation of farmland.

Protection of Property Rights

Return to top

The Namibian legal system protects and facilitates acquisition and disposition of property such as land, buildings, and mortgages. All deeds of sales are registered with the Deeds Office. Property is usually purchased through real estate agents and most banks provide credit through mortgages. The Namibian Constitution prohibits expropriation without just compensation.

Namibia is a party to the WIPO Convention, the Berne Convention for the Protection of Literary and Artistic Works, and the Paris Convention for the Protection of Industrial Property. Namibia is also a party to the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks and the Patent Cooperation Treaty. Namibia is a signatory to the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty.

The responsibility for IPR protection is divided among three government ministries. The Ministry of Trade and Industry oversees industrial property and is responsible for the registration of companies, private corporations, patents, trademarks, and designs. The Ministry of Information and Communication Technology manages copyright protection, while the Ministry of Environment and Tourism protects indigenous plant varieties and any associated traditional knowledge of these plants. In 2010 the Ministry of Trade and Industry tabled the updated Industrial Property Bill, which proposes to establish an Industrial Property Office to handle the administration of patents, marks and designs. However, parliament has not yet passed the bill.

The Ministry of Information and Communication Technology has drafted amendments to the Copyright and Neighboring Rights Protection Act of 1994 to bring it in line with the TRIPS Agreement and the WIPO treaties; and to address advances in technology since the Act was passed. The amendments have been under consideration for several years but have not been passed. Two copyright organizations, the Namibian Society of Composers and Authors of Music (NASCAM) and the Namibian Reproduction Rights Organization (NAMRRO), are the driving forces behind the government's anti-piracy campaigns. NASCAM administers intellectual property rights for authors, composers and publishers of music. NAMRRO protects all other intellectual property rights including literary, artistic, broadcasting, satellite, traditional knowledge and folklore.

Transparency of Regulatory System

Return to top

The Competition Act of 2003 establishes the legal framework to "safeguard and promote competition in the Namibian market." The government, through the Competition Act, has designed a legal and regulatory framework that attempts to safeguard competition while boosting the prospects for Namibian businesses as well as recognizing the role of foreign investment. The act is intended to promote:

- The efficiency, adaptability and development of the Namibian economy;
- Competitive prices and product choices for customers;
- Employment and advancement of the social and economic welfare of Namibians;
- Expanded opportunities for Namibian participation in world markets;
- Participation of small enterprises in the economy by ensuring a level playing field;
 and
- Greater enterprise ownership particularly among the historically disadvantaged.

The act established the Namibia Competition Commission (NaCC), which was officially launched in December 2009. The NaCC has the mandate to review any potential mergers and acquisitions that might limit the competitive landscape or adversely impact the Namibian economy. The Minister of Trade and Industry is the final arbiter on merger decisions and may accept or reject an NaCC decision. Any investor can file an appeal with the MTI but there is no formal process. In 2010 the NaCC approved some mergers by foreign buyers and rejected the merger of two cement companies. In 2011, the authority of the Minister of Trade and Industry vis-à-vis that of the NaCC was one of the central questions addressed by the Namibian courts in the proposed merger between Walmart and South Africa's Massmart. In 2012, the Supreme court ruled that the Minister of Trade and Industry had the authority to make the final decision on the merger. Following this ruling, the Minister approved the merger with conditions agreed to by both Walmart and Massmart.

In many sectors, a relatively effective and transparent regulatory system exists. In 2000, the government established the *Electricity Control Board (ECB)*, which is responsible for regulating the energy sector. The ECB's core function is to regulate electricity generation, transmission, distribution, supply, import and export within the country, and the board is mandated to recommend to the Minister of Mines and Energy which companies or entities should receive licenses. The ECB's vision is for Namibia to have a competitive and transparent electricity market. However, the Namibian parastatal responsible for providing electricity, NamPower, currently enjoys a virtual monopoly.

Though procedures for the establishment of Independent Power Producers (IPP) exist, to date no power purchasing agreements of note have been concluded.

In October 2009 President Pohamba signed into law a new Communications Act replacing the Communications Commission Act of 1992. The 2009 act also amended certain sections of the Posts and Telecommunications Act of 1992. The government's aim in drafting this legislation was to level the playing field for all telecommunication operators and improve competition. Many implementing regulations are not yet in place.

Under the act, the Communications Regulatory Authority of Namibia (CRAN) replaced the Namibian Communication Commission (NCC), which had limited regulatory authority. Civil society groups argue that the new act does not provide the CRAN enough regulatory independence. Such groups note that the Minister of Information and Communication Technology alone may appoint the CRAN Chairperson and Vice-Chairperson, and that the Minister must concur on the prescribing of any new broadcast licenses. The state-owned Namibian Broadcasting Corporation (NBC) - which transmits TV and radio services - is exempted from licensing procedures enumerated in the act. The act also contains intelligence gathering (intercept) provisions which civil society groups have argued violate civil liberties and the Namibian constitution. To comply with the intercept provisions, telecommunications companies could be saddled with many technical burdens and significantly higher costs, critics argue. To date, these provisions have not been implemented.

The *Bank of Namibia (BoN)* regulates the banking sector. In 2010, the BoN rejected a bid by South Africa's ABSA Group to acquire a 70 percent stake in Capricorn Holdings, the parent company of Bank Windhoek. The BoN argued that the ABSA's acquisition would make all banks foreign-owned, as Bank Windhoek is the only bank in Namibia that has majority domestic ownership. As all other banks in Namibia are South Africanowned the BoN also argued that permitting the merger would have exposed Namibia to "single country risk" and would make the "banking system more susceptible to cross-border shocks through the risk of contagion." In December 2012, the BoN granted a license to SME Bank Namibia Limited, a majority government owned banking institution that is mandated to provide access to financial services for small and medium Namibian enterprises.

The Namibia Financial Institutions Supervisory Authority (NAMFISA) regulates non-banking financial institutions. The authority aims to reduce financial crime through developing and implementing effective regulatory systems.

Efficient Capital Markets and Portfolio Investment

Return to top

There is a free flow of financial resources within Namibia and throughout Common Monetary Area (CMA) countries of the South African Customs Union (SACU) which include Namibia, Swaziland, South Africa and Lesotho. Capital flows with the rest of the world are relatively free, subject to South African exchange controls (discussed above in Conversion and Transfer Policies). The Namibia Financial Institutions Supervisory Authority (NAMFISA) registers portfolio managers and supervises the actions of the Namibian Stock Exchange (NSX) and other non-banking financial institutions.

Although the NSX is the second largest stock exchange in Africa, this distinction is largely because many South African firms listed on the Johannesburg exchange are also

listed (dual listed) on the NSX. The government has also introduced investment incentives to attract mutual funds and foreign portfolio investors that have energized emerging stock markets elsewhere in the developing world. By law, Namibia's government pension fund and other Namibian funds are required to allocate a certain percentage of their holdings to Namibian investments. Namibia has a world-class banking system that offers all the services needed by a large company. Foreign investors are able to get credit on local market terms.

There are no laws or practices by private firms in Namibia enabling incorporations to prohibit foreign investment, participation or control; nor are there any laws or practices by private firms or government precluding foreign participation in industry standards setting consortia.

Competition from State Owned Enterprises

Return to top

While Namibian companies are generally open to foreign investment, government owned enterprises have to date generally been closed to all investors (Namibian and foreign), with the exception of several joint ventures discussed below. State Owned Enterprises (SOE – also known as parastatals) include a wide variety of commercial companies, financial institutions, regulatory bodies, educational institutions, boards and agencies. Generally, employment at SOEs is highly sought after because their remuneration packages are not bound by public service constraints. Parastatals provide most of the essential services such as telecommunications, transport, water, and electricity. The following are the most prominent commercial SOEs:

- Air Namibia (Air carrier)
- Namibia Airports Company (Airport management company)
- Namibia Wildlife Resorts (Tourism)
- Namport (Maritime Port Authority)
- Nampost (Postal and courier services)
- Namwater (Water sanitation and provisioning)
- Roads Contractor Company
- Telecom Namibia (Fixed-line telecommunications)
- TransNamib (Rail company)
- NamPower (Energy generation and transmission)

The government owns numerous other enterprises, from media ventures to a fishing company. In December 2009, the Minister of Mines and Energy inaugurated Epangelo Mining, a wholly government-owned mining company. Parastatals own assets worth approximately 40 percent of GDP and most receive subsidies from government. In certain industries, SOEs have been perennially unprofitable and have only managed to stay solvent because of government subsidies. In industries where private companies compete with SOEs (i.e., tourism, fishing, communications, etc.) SOEs are sometimes perceived to receive favorable concessions from government.

Foreign investors have participated in joint ventures with government in several sectors, including mobile telecommunications and mining. The government sold a 34 percent share in 2006 in its state-owned mobile phone company, MTC, to Portugal Telecom. However, a U.S. business criticized the process for a lack of transparency and unfair bidding practices designed to favor one party. NamDeb, a 50-50 partnership

between the government and DeBeers, has mined Namibia's land-based diamonds since 1994. There has been some debate on whether to list parastatal companies on the Namibian Stock Exchange (NSX), but there are no plans to do so in the near future.

The 2006 State Owned Enterprises Governance Act, which has yet to be fully implemented, requires each SOE to submit an annual business and financial report to its portfolio minister at least three months prior to the beginning of each financial year. With important exceptions, very few SOEs have consistently provided such annual reports. The act established a cabinet committee called the SOE Governance Council consisting of the Prime Minister, the Minister of Finance, the Minister of Trade and Industry, the Attorney General and the Director General of the National Planning Commission, which is tasked with developing common principles of good governance and a common policy framework. This Council is responsible for approving the appointment of board members. Chief Executive Officers (CEO) of SOEs report to the board. In most cases, SOE's can make business decisions without consulting government. In May 2010, Parliament approved the Governance Policy Framework on SOEs. This framework requires that performance agreements be signed between all SOEs and government. All chief executives and chairpersons of boards will be required to enter into five-year performance agreements with government.

Namibia does not have a Sovereign Wealth Fund (SWF). The Government Institution Pension Fund (GIPF) provides retirement and benefits for employees in the service of the Namibian government as well as institutions established by an act of the Namibian Parliament. According to the GIPF, it represents 61 percent of the Namibian retirement fund industry.

Corporate Social Responsibility

Return to top

There is a general awareness of Corporate Social Responsibility (CSR) in Namibia amongst the business community, but less awareness among consumers. Most large firms, including SOEs, have well defined (and publicized) social responsibility programs that provide assistance in areas such as education, health, environmental management, sports, and small and medium enterprise (SME) development. Many firms include their Black Economic Empowerment (BEE) programs within their larger CSR programs. Firms operating in the mining sector – Namibia's most important industry – generally have visible CSR programs that focus on education, community resource management and environmental sustainability, health, and BEE. Many Namibian firms have HIV/AIDS workplace programs to educate their employees about how to prevent contracting and spreading the virus/disease. Some firms also provide anti-retroviral (ARV) treatment programs beyond what may be covered through government and private insurance systems.

Political Violence Return to top

Namibia is a stable multi-party and multi-racial democracy. The protection of human rights is enshrined in the Namibian constitution, and the government generally respected those rights. Political violence is rare and damage to commercial projects and/or installations as a result of political violence is considered unlikely. The State Department's *human rights report for Namibia* provides additional information.

Corruption Return to top

Transparency International's 2012 Corruption Perception Index ranked Namibia 58 out of 176 countries. A score of 100 reflects a "highly clean" and 0 reflects a "highly corrupt" nation. Namibia scored 48, ahead of all but five sub-Saharan African countries (Botswana, Mauritius, Cape Verde, Seychelles and Rwanda).

There are no international or regional "watchdog" organizations operating in the country. The Namibian government passed the Anti-Corruption Act in May 2003, appointed the director and deputy director of the resulting Anti-Corruption Commission in October 2005, and launched the opening of the office in 2006. The Commission attempts to complement civil society's anti-corruption programs and support existing institutions such as the Ombudsman's Office and Attorney General. Anti-corruption legislation is in place to combat public corruption. Some critics charge that the ACC narrowly interprets its mandate and focuses on minor cases. The ACC has countered that it requires additional funding in order to properly fulfill its mandate. The ACC receives 700 to 900 reports of corruption per year, but less than 10 percent are deemed pursuable through the legal system. In a nationwide survey commissioned by the ACC and released in December 2011, corruption was listed at the second most important development challenge facing Namibia (12.8 percent, after unemployment at 39.6 percent). Just over half (54 percent) of respondents rated corruption as "very high", although relatively few professed a personal experience with corruption.

Namibia has signed and ratified the UN Convention Against Corruption and the African Union's African Convention on Preventing and Combating Corruption. Namibia signed the Southern African Development Community's Protocol Against Corruption.

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the U.S. in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the U.S. enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such

a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov/criminal/fraud/.

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. Of the conventions listed, Namibia is party to the UN Convention against Corruption, but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. Namibia is not a party to the Convention.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 143 parties to it as of December 2009 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. Namibia is party to this Convention.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 33 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html).

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anticorruption standards. Currently, GRECO comprises 46 member States (45 European countries and the United States). As of December 2009, the Criminal Law Convention has 42 parties and the Civil Law Convention has 34 (see www.coe.int/greco.).

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize "active bribery" of public officials (offering bribes to any public official must be made a criminal offense, both domestically and transnationally) as well as domestic "passive bribery" (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: http://www.ustr.gov/trade-agreements/free-trade-agreements. Namibia does not have an FTA with the United States; however, there has been a Trade, Investment and Development Cooperation Agreement between the U.S. and SACU (Namibia is a member) since 2008, and both parties continue to work toward an eventual FTA.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department's U.S. and Foreign Commercial Service can provide assistance with navigating the host country's legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the

FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

POST INPUT: Transparency International's 2011 Corruption Perceptions Index ranked Namibia 57 out of 178 countries. A score of 10 reflects a "highly clean" and 0 reflects a "highly corrupt" nation. Namibia scored 4.4 just behind South Africa's score of 4.5. Only five sub-Saharan African countries (Botswana, Mauritius, Cape Verde, Seychelles and South Africa) ranked higher.

There are no international or regional "watchdog" organizations operating in the country. The Namibian Government passed the Anti-Corruption Act in May 2003, appointed the director and deputy director of the resulting Anti-Corruption Commission in October 2005, and launched the opening of the office in 2006. The Commission attempts to complement civil society's anti-corruption programs and support existing institutions such as the Ombudsman's Office and Attorney General. Anti-corruption legislation is in place to combat public corruption. Some critics charge that the ACC narrowly interprets its mandate and focuses on minor cases. The ACC has countered that it requires additional funding in order to properly fulfill its mandate. The ACC receives 700 to 900 reports of corruption per year, but less than 10 percent are deemed pursuable. In a nationwide survey commissioned by the ACC and released in December 2011, corruption was listed at the second most important development challenge facing Namibia (12.8 percent, after unemployment at 39.6 percent). Just over half (54 percent) of respondents rated corruption as "very high", although relatively few professed a personal experience with corruption.

Namibia has signed and ratified the UN Convention Against Corruption and the African Union's African Convention on Preventing and Combating Corruption. Namibia signed the Southern African Development Community's Protocol Against Corruption.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

 Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.

- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at:
 http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1_1,00.html.
 See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual Global Corruption Report which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See http://www.transparency.org/publications/gcr.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 212 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See http://info.worldbank.org/governance/wgi/sc_country.asp. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: http://go.worldbank.org/RQQXYJ6210.
- The World Economic Forum publishes the Global Enabling Trade Report, which
 presents the rankings of the Enabling Trade Index, and includes an assessment of
 the transparency of border administration (focused on bribe payments and
 corruption) and a separate segment on corruption and the regulatory environment.
 See
 http://www.weforum.org/en/initiatives/gcp/GlobalEnablingTradeReport/index.htm.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at http://www.state.gov/g/drl/rls/hrrpt/.
- Global Integrity, a nonprofit organization, publishes its annual Global Integrity Report, which provides indicators for 92 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

Namibia has ratified reciprocal investment promotion and protection treaties with Switzerland, Malaysia, France, Germany, the Netherlands, Cuba, Finland, Spain, Austria, Angola, Vietnam, Italy. China and the Russian Federation have signed investment agreements with Namibia, but the agreements have yet to be ratified. There is no bilateral investment agreement and no bilateral tax treaty between the United States and Namibia. In 2008, SACU (of which Namibia is a member) signed a Trade, Investment and Development Cooperation Agreement (TIDCA) with the United States of America, and work continues in pursuit of a Free Trade Agreement between the United States and SACU.

As a member of the Southern African Customs Union (SACU), Namibia is a beneficiary of SACU's free trade agreement with the European Free Trade Association (Iceland, Liechtenstein, Norway, and Switzerland) that came into force in 2008 and is part of negotiations for trade agreements with Mercosur (Argentina, Brazil, Paraguay, and Uruguay). SACU plans to extend its free trade network to the EU, China, Egypt, India, Kenya, and Nigeria. Namibia also has an FTA with Zimbabwe that was finalized in 1993.

The Southern African Development Community (SADC) negotiating bloc have agreed on an interim Economic Partnership Agreement (EPA) with the European Union, but Namibia remains the only country which has not yet ratified it. In 2012, the European Union implemented a January 2014 deadline for ratification, but has since voted to extend the deadline until 2016. Negotiations are regular and ongoing OPIC and Other Investment Insurance Programs.

The United States Government has had an Investment Incentive Agreement with the Government of the Republic of Namibia since 1990. Under the agreement, the Overseas Private Investment Corporation (OPIC) is the USG entity that provides political risk insurance and credit facilities to qualified U.S. investors in Namibia. In 2005, OPIC approved a \$25.2 million credit facility for Lazare Kaplan International Inc. (LKI) to enhance the operations of NamGem Diamond Manufacturing Company Ltd. (NamGem). OPIC also has invested in Helios Sub-Saharan Africa Fund which in turn invested in Africatel Holdings("Africatel"). Africatel, a subsidiary of Portugal Telecom Group, owns 34 percent of Namibia's largest cell provider MTC, while the government owns the remaining 66 percent.

Namibia is also a member of the World Bank's Multilateral Investment Guarantee Agency (MIGA), which performs a similar function. MIGA has so far not issued any guarantees for investment, but Namibia has been an active beneficiary of MIGA's technical assistance services.

Labor Return to top

The Namibian Constitution allows for the formation of independent trade unions to protect workers' rights and to promote sound labor relations and fair employment practices. Namibia has ratified all of the International Labor Organization's fundamental conventions. Businesses operating within the EPZ are required to adhere to the Labor Act.

While there is a pool of qualified workers in varying professions in Namibia, there is a shortage of specialized skilled labor. Employers often cite labor productivity and the

shortage of skilled labor as one of the biggest obstacles to business growth. This shortage is linked to weaknesses in Namibia's education sector. The 2012 World Economic Forum, Global Competitiveness Report ranked Namibia 120 out of 144 countries in the Higher Education and Training category, and 127 in the Health and Primary Education category. Additionally, that report identified "poorly educated workforce" as the most problematic factor for doing business in Namibia (selected by 15 percent of respondents).

The Namibian government offers manufacturing companies special tax deductions of up to 25 percent if they provide technical training to employees. The government will also reimburse companies for costs directly related to employee training under approved conditions.

The 2007 Labor Act, which entered into force in November 2008 contained a provision that prohibited the hiring of temporary or contract workers ("labor hire"), but the provision was ruled unconstitutional by the Supreme Court. The Labor Amendment Act of 2012 introduced very strict regulations with respect to the use of temporary workers, and defined the "user" of temporary workers as their legal employer except in rare exceptions where a case is made for the "lender" (such as a temporary employment agency) to share or assume all authority as employer. In addition the amendments place strict limitations on short-term employment contracts; exemptions may be sought with the approval of the Minister of Labor.

Foreign-Trade Zones/Free Ports

Return to top

Foreign firms enjoy the same investment opportunities as local companies. There are no free ports in Namibia, although NamPort, the national port authority, is considering establishing a free port distribution center at Walvis Bay. Botswana, Zambia and Zimbabwe have concluded agreements to establish dry ports for the clearance of goods destined to their countries.

Export processing Zones (EPZ)

Companies with Export Processing Zone (EPZ) status can set up operations anywhere in Namibia. There are no restrictions on the industrial sector provided that the exports are destined for markets outside the SACU region, earn foreign exchange, and employ Namibians. EPZ benefits include no corporate tax, no import duties on the importation of capital equipment or raw materials, and no VAT, sales tax, stamp or transfer duties on goods and services required for EPZ activities. Non-residents operating in an EPZ may hold foreign currency accounts in local banks. The government also provides grants to EPZ companies for training programs to improve Namibian workers' skills and productivity.

The Offshore Development Company (ODC) administers the country's Export Processing Zone (EPZ) regime. ODC was at the center of a 2005 corruption scandal involving the loss of 100 million Namibian dollars (approximately 10 million USD) in investments. ODC maintains that it is financially stable and is negotiating repayment; however, to date, the funds remain unaccounted for.

Further information available at: http://www.mti.gov.na/nic.htm

Information on Namibia's Walvis Bay port EPZ managed by the Walvis Bay EPZ Management Company is available at http://www.wbepzmc.iway.na

Foreign Direct Investment Statistics

Return to top

The Bank of Namibia (BoN) maintains statistics on foreign direct investment in Namibia which it shares with the United Nations Conference on Trade and Development (UNCTAD). UNCTAD estimates that in 2011, FDI stock was equivalent to 37 percent of GDP, and FDI inflows represented 34 percent of gross fixed capital formation.

Value of FDI Inflows

Year	USD (Millions)	FDI as Percent of GDP	FDI as Percent of Gross Fixed Capital Formation
2007	733	43.6	35.3
2008	720	39.3	33.3
2009	516	33.6	24.5
2010	712	49.3	29.1
2011	900	36.7	33.7

Source: UNCTAD and NSA

Although decreased investments in Namibian equities led to a steep decline in FDI in 2009, FDI figures have rebounded in 2010 and continue to increase in 2011 in spite of the ongoing global financial slump. This increase stemmed largely from "other capital" sub-categories. The increase under "other capital" reflects funds borrowed by Namibian subsidiaries from their parent companies, especially for capital expenditure. Outflows in portfolio investment dropped significantly in 2011 due to increased liability in the form of debt securities, rising to 3.9 billion dollars

Composition of Direct investment in Namibia (In N\$ Millions)

			r	,		
	2007	2008	2009	2010	2011	2012 (P)*
Total	5164	5951	4676	5865	7683	838
Equity capital	3952	2622	275	66	220	35
Reinvested earnings	1318	1115	1627	3205	2945	725
Other capital	-106	2213	2774	1944	4517	78
Liabilities to direct						
investors	-468	2218				
Claims on direct						
investors	362	-5				

Source: BoN
*P - Provisional

Web Resources Return to top

Government of the Republic of Namibia	www.grnnet.gov.na
Namibian Parliament	www.parliament.gov.na
Ministry of Trade and Industry	www.mti.gov.na
Bank of Namibia	www.bon.com.na
Namibia Financial Institutions Supervisory Authority (Namfisa)	www.namfisa.com.na
Namibia Stock Exchange	www.nsx.com.na
Namibia Labor Resource and Research Institute (LARRI)	www.larri.com.na
Namibia Communication Commission (NCC)	www.ncc.org.na
Fitch Ratings	www.fitchratings.com
World Economic Forum	www.weforum.org

Return to table of contents

Chapter 7: Trade and Project Financing

- How Do I Get Paid (Methods of Payment)
- How Does the Banking System Operate
- Foreign-Exchange Controls
- U.S. Banks and Local Correspondent Banks
- Project Financing
- Web Resources

How Do I Get Paid (Methods of Payment)

Return to top

Namibia's banking system is modern and closely tied to the South African system. Three of the four local commercial banks are subsidiaries of South African banks. All local commercial banks handle international transactions and trade financing. Payments can be made in the following ways:

- Direct Bank Transfers
- Credit Cards
- Checks
- Debit Cards
- Cash

There are limits on certain payment instruments within the regional payment system. Effective June 2010, domestic checks may not exceed N\$500,000. Electronic Fund Transfer (EFT) credits may not exceed N\$5 million and EFT debits may not exceed N\$500,000. These limits mainly aim to reduce exposure to risk and fraud.

Credit grantors use information from a credit bureau (Trans Union ITC) to assist in making a decision whether or not to grant credit. A credit bureau details the credit history of a consumer or business's repayment performance.

The Bank of Namibia (BoN) oversees/regulates payment systems in Namibia. The 2003 Payment System Management Act provides details on how the BoN manages the payment system:

http://www.bon.com.na/Content/TopLevelItems/LawReg/Acts/Payment%20Systems%20 Act,18%20of%202003.pdf

How Does the Banking System Operate

Return to top

The BoN (www.bon.com.na) regulates commercial banks and the government regulates publicly owned banks. Commercial banks operate within the Common Monetary Area (CMA), which is governed by monetary policy set by the South African Reserve Bank.

There are four commercial banks in Namibia:

Bank Windhoek

http://www.bankwindhoek.com.na

First National Bank Namibia

- Nedbank Namibia
- Standard Bank Namibia

https://www.fnbnamibia.com.na http://www.nedbanknamibia.com http://www.standardbank.com.na

There are three publicly owned banks:

Agricultural Bank of Namibia

Mailing Address: Private Bag 13208 Windhoek, Namibia.

Office Address:

10 Post Street Mall, Windhoek

Phone: +264 61 207 4111 E-mail: agribank@iway.na

Development Bank of Namibia

Mailing Address: PO Box 235 Windhoek, Namibia

Office Address:

142 Robert Mugabe Avenue 2nd Floor Trustco House North

Phone: +264-61-290 8000 Fax +264-61-290 8071 E-mail: info@dbn.com.na

www.dbn.com.na

SME Bank

Mailing Address: PO Box 6121 Windhoek, Namibia

Office Address:

172 Jan Jonker Road, Ausspannplatz SME Bank Headquarters

Phone: +264-61-430 1000 Fax: +264-61-430 1040

NamPost Savings Bank, run by Nampost, the company responsible for the Namibian postal system. Mailing Address: PO Box 287 Windhoek, Namibia

Office Address:

Independence Avenue

Phone: +264-61-201 3115 Fax +264-61- 235 526 www.nampost.com.na

Automated Teller Machines (ATMs) and Internet banking are readily available in Windhoek and throughout major towns in Namibia. Cell phone banking is becoming more widespread and popular.

Foreign-Exchange Controls

Return to top

The BoN is the regulatory body that oversees the exchange of currency. To learn more about foreign exchange regulations see:

http://www.bon.com.na/docs/xcn/Exchange%20Control%20Regulations%201961.PDF

All four commercial banks (identified above) are authorized to act as foreign exchange dealers. The Namibia Bureau de Change (Pty) Limited is also an authorized dealer, but has limited authority.

All four commercial banks are subscribers to the Society for Worldwide Inter-bank Financial Telecommunications (S.W.I.F.T).

U.S. Banks and Local Correspondent Banks

Return to top

There are currently no U.S. banks operating in Namibia.

Project Financing

Return to top

The Development Bank of Namibia (DBN) provides finance for capital projects, such as infrastructure development and projects in sectors like fishing, manufacturing, mining, services and tourism. Projects financed by DBN include the new German owned Ohorongo Cement (Pty) Ltd (N\$120 million), a subsidiary of Schwenk Namibia (Pty) Ltd, for its cement manufacturing factory; and Camelthorn Breweries (N\$ 10,170,575), a micro brewing company which produces "craft" beer. For additional information on the DBN see: http://www.dbn.com.na/.

Most commercial banks also offer project finance and offshore lending solutions for clients wishing to make cross border investments.

Namibia is a member of and recipient of development assistance from the African Development Bank (ADB). The ADB has partnered with the DBN on occasion to assist with project finance. The ADB's Country Strategy Paper (CSP) for Namibia, 2009-2013, outlines the bank's priorities for Namibia. For more information on the CSP and projects the ADB has financed in Namibia see: http://www.afdb.org/en/countries/southern-africa/namibia/.

Namibia is also a member of the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and the Multilateral Investment

Guarantee Agency (MIGA). The IFC has been involved in small investments such as support for construction of a 110-room hotel in northern Namibia.

In 2008, Namibia and the Millennium Challenge Corporation (MCC) signed a five-year US\$ 304.5 million poverty reduction grant agreement, which entered into force in September 2009. The agreement focuses on improving effectiveness in the education, agriculture and tourism sectors. Implementation of the Millennium Challenge Account Namibia Compact began in September 2009 and will conclude in September 2014. If you are interested in any procurement opportunities, visit: http://www.mca.gov.na/.

Web Resources	Return to top
 Export-Import Bank of the United States 	http://www.exim.gov
Country Limitation Schedule	http://www.exim.gov/tools/country/country_limits.html
• OPIC	http://www.opic.gov
Trade and Development Agency	http://www.tda.gov/
 SBA's Office of International Trade 	http://www.sba.gov/oit/
 USDA Commodity Credit Corporation 	http://www.fsa.usda.gov/ccc/default.htm
 U.S. Agency for International Development 	http://www.usaid.gov
African Development Bank	http://www.afdb.org/en/countries/southern-africa/namibia/
Development Bank of Namibia	http://www.dbn.com.na/.

Return to table of contents

Return to table of contents

Chapter 8: Business Travel

- Business Customs
- Travel Advisory
- Visa Requirements
- Telecommunications
- Transportation
- Language
- Health
- Local Time, Business Hours and Holidays
- Temporary Entry of Materials and Personal Belongings
- Web Resources

Business Customs

Return to top

For meetings with senior level managers, it is expected that you make an appointment well in advance. It is difficult to schedule meetings from mid-December to mid-January due to the holiday season. Shirts and ties are acceptable business wear for men in hot weather but suits and ties should be worn for more formal occasions. Women can wear business suits or dresses. English is the official language and is widely, but not universally, spoken. Business cards are useful and widely used. Greetings are an integral part of Namibian culture and should be in the form of a normal handshake. It is important to first exchange greetings and pleasantries with business counterparts before launching into substantive discussions. Personal relationships are important.

Travel Advisory

Return to top

For travel advisory information on Namibia, please click on the link below to the State Department's consular information sheet for Namibia:

http://travel.state.gov/travel/cis pa tw/cis/cis 977.html

Visa Requirements

Return to top

Namibia does not require visas for U.S. citizens traveling to Namibia for tourist purposes for stays up to 90 days. Obtaining a business visa prior to travel is advised even though, according to the Namibian government regulations, U.S. citizens traveling on business are not required to obtain a visa prior to travel if the visit will not exceed 90 days. In practice, some business travelers have been stopped at port of entry when stating their purpose of entry as work.

The Ministry of Home Affairs grants renewable and non-renewable temporary employment permits for a period of up to 12 months for skills not readily available locally. However, work permits and long-term residence permits are subject to bureaucratic hurdles. Complaints about delays in renewing visas and work permits are not uncommon.

For the most up-to-date information regarding visa requirements, please contact the Namibian Embassy in the United States, Ministry of Home Affairs, or the Namibian Investment Center at the following addresses:

Embassy of the Republic of Namibia 1605 New Hampshire Ave., NW Washington DC 20009 Telephone: (202) 986-0540

Fax: (202) 986-0443

http://www.namibianembassyusa.org/

Ministry of Home Affairs & Immigration Cohen Building Kasino Street Private Bag 13200 Windhoek, Namibia Tel. +264-61-292 2111 Fax +262-61-292 2185 http://www.mha.gov.na/

Namibia Investment Centre Ministry of Trade and Industry Brendan Simbwaye Square, Goethe Street Private Bag 13340 Windhoek, Namibia

Tel: +264-61-283-7335 Fax: +264-61-220278 E-mail: nic@mti.gov.na/ http://www.mti.gov.na/

U.S. companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: http://travel.state.gov/visa/

U.S. Embassy Windhoek: http://windhoek.usembassy.gov

Telecommunications

Return to top

The telecommunications infrastructure is well developed in Namibia. Telecom Namibia, the government-owned fixed line telecommunications operator, provides basic telephone services, multimedia services such as data connections for Internet access, broadband services and digital lease lines.

There are several operators of mobile data and telephone services:

Company	Ownership	Services and Technology
Telecom	100% government	CMDA Wireless voice and data
Namibia		

MTC	65% government, 35%	GSM/GPRS/3G mobile voice and
	private	data
Leo	100% government	GSM/GPRS/3G mobile voice and
(formerly Cell	_	data
One)		
Mweb	75% Mweb Africa	WiMax
Namibia	25% Kalahari Holdings (a	
	business of the ruling	
	SWAPO political party)	

There are other players in the market that provide Internet and IT services.

Transportation Return to top

There are no direct flights between the U.S. and Namibia. Major airlines flying to Namibia include Air Namibia, South African Airways, British Airways-Comair (from South Africa), Air Berlin (seasonal) and Lufthansa International (seasonal). Air Namibia offers regular domestic, regional, and international service to Frankfurt. For more information on Air Namibia, click on: http://www.airnamibia.com.na/. There are also smaller charter flight operators in Windhoek and Swakopmund.

There are numerous car rental companies in the country, most based in Windhoek. The majority of car rental companies are members of the Car Rental Association of Namibia (CARAN). You can find links to car rental companies operating in Namibia at: http://www.caran.org/homepage_E.htm.

The national rail operator, TransNamib, offers train service from Windhoek to most major towns. However, train travel is slow and not a popular choice.

Private companies offer bus and taxi services on domestic and regional routes.

Language Return to top

English is the official language, although it is not the first language of most Namibians. Oshiwambo is the main language spoken at home by nearly half the population. At least a dozen other local languages are spoken. Afrikaans is spoken as a first language by many Namibians and is often the medium of communication when a group of people do not share the same first language. German is spoken by a small minority.

Health Return to top

Visitors face no specific health threats in Windhoek. Windhoek's 5,600-foot elevation can cause fatigue and light-headedness. Windhoek's dry, windy climate can cause dry skin and chapped lips. Because of fine dust and desert pollen in the air, visitors who suffer from allergies or respiratory ailments should bring appropriate medication. Visitors who anticipate spending time outdoors should use sun block, hats, and skin-covering clothing.

The prevalence rate of HIV/AIDS among adults is estimated at 13.1 percent in Namibia. Malaria is not present in Windhoek, and visitors remaining in the capital do not need to take anti-malarial medication, but malaria does exist in some northern and eastern areas

of Namibia. Visitors to those areas should begin taking anti-malaria medication before arrival as prescribed by medical professionals. Tap water is potable throughout Namibia; bottled water is widely available as well. Modern health care facilities are available in most urban areas, with the largest number of high-quality facilities in Windhoek. Note that doctors and hospitals often expect immediate cash payment for health care services. Supplemental medical insurance with specific overseas and medical evacuation coverage is inexpensive locally and well advised.

See the *Medical Facilities And Health Information* section of the Department of State Travel Advisory on Namibia for information on the quality and availability of medical care as well as suggested vaccinations.

http://travel.state.gov/travel/cis_pa_tw/cis/cis_977.html#medical

Local Time, Business Hours, and Holidays

Return to top

Namibia is GMT+ 1 hour in the winter months, April to September, and GMT + 2 hours from October to March.

Typical Business Hours

Offices: Mon-Fri 8:00- 17:00

Banks: Mon-Fri 9:00- 15:30 Sat 8:30-12:00

Namibian Public Holidays for 2013

New Year's Day January 01 January 02 New Year's Day (in lieu) March 21 Independence Day Good Friday March 29 April 01 Easter Monday May 01 Worker's Day May 04 Cassinga Day Ascension Day May 09 May 25 Africa Day August 26 Heroes' Day August 27 Heroes' Day (in lieu)

August 27 Heroes' Day (in lieu December 10 Human Rights Day December 25 Christmas Day December 26 Family Day

Note many Namibian businesses are closed from mid-December to mid-January for summer holidays. The U.S. Embassy in Windhoek is closed on both Namibian and U.S public holidays.

Temporary Entry of Materials and Personal Belongings Return to top

Goods entering the country on a temporary basis may be exempted from import duties and taxes in accordance with customs procedures for each item.

Web Resources Return to top

•	Namibia Trade Directory	http://www.tradedirectory.com.na
•	Ministry of Trade and Industry	http://www.mti.gov.na
•	Namibian Embassy to the U.S.	http://www.namibianembassyusa.org/
•	State Department Visa Website	http://travel.state.gov/visa/index.html
•	U.S. Embassy Windhoek Website	http://windhoek.usembassy.gov
•	Air Namibia	http://www.airnamibia.com.na/
•	Telecom Namibia	http://www.telecom.na/
•	MTC	http://www.mtc.com.na/
•	Leo (formerly Cell One)	http://www.cellone.com.na/
•	Mweb Namibia	http://www.mweb.com.na/

Return to table of contents

Return to table of contents

Chapter 9: Contacts, Market Research and Trade Events

- Contacts
- Market Research
- Trade Events

Contacts Return to top

Key Ministries:

Ministry of Trade and Industry http://www.mti.gov.na

Ministry of Mines and Energy http://www.mme.gov.na

 Ministry of Fisheries and Marine Resources
 http://www.mfmr.gov.na

Ministry of Agriculture, Water and http://www.mawf.gov.na/
Forestry

Ministry of Finance http://www.mof.gov.na/

National Planning Commission http://www.npc.gov.na/

• Ministry of Environment and http://www.met.gov.na

Tourism

Ministry of Defense http://www.mod.gov.na/

Ministry of Home Affairs http://www.mha.gov.na/

Ministry of Health and Social http://www.healthnet.org.na/

Services

Key Research Institution:

Institute for Public Policy Research http://www.ippr.org.na (IPPR)

Bank of Namibia http://www.bon.com.na/

Key Business Contacts:

Namibia Trade Directory http://www.tradedirectory.com.na

Namibia Chamber of Commerce http://www.ncci.org.na
 Industry

Who's Who of Namibia http://www.whoswhonamibia.com/

Market Research Return to top

To view market research reports produced by the U.S. Commercial Service please go to the following website: http://www.export.gov/mrktresearch/index.asp and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events Return to top

Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents/index.asp

Return to table of contents

Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to prepare U.S. companies to export successfully, connect them with trade opportunities and support them once they do have exporting opportunities.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about U.S. government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov.

Embassy Windhoek is a partnership post of Commercial Service South Africa. We offer the following services to U.S. companies:

- Gold Key Appointment Service (GKS)
- International Partner Search (IPS)
- International Company Profile (ICP)
- International Buyer Program (IBP)

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: http://www.buyusa.gov/southafrica/en/servicestouscompanies.html.

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the U.S. Department of Commerce's Trade Information Center at (800) USA-TRAD(E).

We value your feedback on the format and contents of this report. Please send your comments and recommendations to: Market_Research_Feedback@trade.gov.

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct

their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

Return to table of contents